

Decision Pathway – Report Template



PURPOSE: For reference

MEETING: Cabinet

DATE: 03 September 2019

TITLE	Brexit Preparedness Update (September 2019)	
Ward(s)	All	
Author: Tim Borrett	Job title: Director: Policy, Strategy and Partnerships (Brexit Lead Officer)	
Cabinet lead: Councillor Craig Cheney	Executive Director lead: Mike Jackson, Executive Director: Resources (Head of Paid Service)	
Proposal origin: <i>BCC Staff</i>		
Decision maker: Mayor Decision forum: <i>Cabinet</i>		
Timescales: The council is preparing for a No Deal Exit from the European Union on 31 October 2019.		
Purpose of Report: 1. To update the Mayor and Cabinet on the council's preparedness work for a potential 'No Deal' exit from the European Union.		
Evidence Base: The United Kingdom is scheduled to exit the European Union on 31 October 2019, with wide-reaching implications for Bristol City Council as a local authority. The possibility that the UK will leave without a deal means we are continuing to actively prepare for No Deal, which remains the legal default. Our preparedness activities are coordinated by the Brexit Project Board chaired by the council's designated Brexit Lead Officer, which was established in January 2019 and is responsible for managing and responding to identified risks. In addition the following groups also play key roles: <ul style="list-style-type: none"> • Brexit Coordination Group: A small group of key officers who will manage any operational impacts which may arise. The group will meet on a daily basis immediately before and after the Brexit deadline, with responsibility for: <ul style="list-style-type: none"> ○ Collecting information and understanding the impact of a 'No Deal' Brexit on Council service delivery ○ Overseeing BCC's liaison with the Avon and Somerset Local Resilience Forum (ASLRF) partners ○ Supporting the formation of Brexit-related external communications and communications to internal stakeholders, including elected members and staff • Bristol Brexit Response Group: A city-wide group of partners convened by the Mayor which has met since 2016 to share information and make plans together informally. • Brexit Lead Officers Group: An informal group consisting of Brexit Lead Officers from neighbouring authorities, the West of England Combined Authority and the Local Resilience Forum; established to share information and help ensure consistency of approach to shared issues. • Avon and Somerset Local Resilience Forum 		

No Deal Scenario Assessment

In January 2019 the council published a [no-deal scenario assessment](#) following consultation with Scrutiny members and other stakeholders. It considers high-level threats and opportunities associated with eight areas of business focus; Finance & Funding, Civil Contingencies, Workforce, Legal & Regulatory, Supply Chain, Housing, Key Operations and the City Economy (in the context of its direct relation to BCC).

This assessment is currently being reviewed to ensure it accurately reflects new or emerging risks and any new actions that may need to be taken as a result.

Contingency Funding

The council has received £314k national non-ringfenced funding from HM Government to support Brexit preparedness and has set aside an additional £250,000 in reserves to support preparation and as a reactive contingency. Our approach has been to use this as a last resort for unfunded pressures, with the majority of staff time taken to support Brexit planning predominantly being undertaken as part of 'business as usual', rather than via directly funded roles. Whilst this means lost opportunities to do other work, it enables us to keep as much funding as possible aside to mitigate some of the likely financial pressures we may face.

Allocations of funding have been made towards community cohesion (up to £30k), communications (up to £40k), Civil Protection capacity (up to £45k), procurement analysis (up to £30k), social care (up to £50k) and security for the European elections (up to £1,500).

It is important to note that these allocations are maximum amounts and kept under regular review by Brexit Project Board, with current spending as follows:

- Communications - £4,578
- Procurement - £28,850
- Civil Contingencies Project Support - £4,008
- Community Cohesion - £23,900
- Security for European Elections - £1,338

A further review of allocations will be undertaken by the Board in September following the review of the Local Resilience Forum risk log and the council's No Deal Scenario Assessment. It should be noted that many threats identified could have substantial costs, potentially in to millions of pounds. The government has to date not guaranteed reimbursement of costs, but has stated it will review 'new burdens' with an evidenced link to Brexit on 'a case by case basis'.

Preparedness work streams

The council has several work streams addressing Brexit preparedness across many different services. The most recent updates on these specific areas is included at Appendix A.

Government Engagement

The council is playing an active role in government engagement, both via established formal channels to provide information and also via its own networks. This includes:

- Regional Chief Executives: The government's designated route to collate and receive information. In our region this is via South West Councils, who make regular returns to the Ministry of Housing, Communities and Local Government.
- Local Resilience Forum: Formal multi-agency reporting to the government via established civil contingency channels.
- MHCLG EU Exit Advisory Panel – A forum for local government leaders to hear updates, raise concerns and discuss Brexit related issues with senior officials from Whitehall departments.

- Direct engagement: Attendance at multiple events, letters to ministers and informal email contact with civil servants in various government departments.

There is a variety of concerted public affairs work also underway, with the council contributing to information sharing and campaigns with the Local Government Association, Core Cities and more.

The key issues raised by the council with HM Government are:

- The Government should add care workers to the list of ‘shortage occupations’ excluded from the Government’s proposed £30,000 minimum salary threshold for migrants.
- The Government needs to be more open with local authorities in the sharing of its planning and risk assumptions; provide more detailed communications toolkits to avoid local duplication and inconsistency of message; and, provide more streamlined reporting mechanisms to reduce duplication between local authorities, regional networks and local resilience forums.
- The Government should bring forward the consultation on the UK Shared Prosperity Fund as a matter of urgency, and ensure that it is of equivalent value to the EU funding streams it will replace and is fully devolved and flexible so it can best suit local needs.

Cabinet Member / Officer Recommendations:

1. Cabinet are recommended to note this report.

Corporate Strategy alignment:

1. Insofar as possible, work is being guided by the cross-cutting principles adopted by Full Council as part of the Corporate Strategy 2018 – 2023, in particular:
 - Build city resilience, improving our ability to cope with environmental, economic or social ‘shocks and stresses’
 - Focus on planned long-term outcomes not short-term fixes, prioritising early intervention and prevention
 - Contribute to safer communities, including zero-tolerance to abuse or crime based on gender, disability, race, age, religion or sexuality
 - Maximise opportunities to work with partners and other stakeholders locally, nationally and globally

City Benefits:

1. Our preparedness work aims to benefit the city by mitigating threat and maximising opportunities where possible, particularly by ensuring the council can plan for, and respond quickly to, issues – even those which may be unexpected. Our proactive approach to community cohesion work aims to foster stronger relationships in communities and promote good relations between different groups of people.

Consultation Details:

1. Internal: Council-wide ongoing engagement is continuing, with this issue remaining a regular item at the council’s Statutory and Policy Board and at Overview and Scrutiny Management Board.
2. External: The council is engaging extensively with HM Government and the Avon and Somerset Local Resilience Forum (plus Tension Monitoring Group). The council is engaging a wide range of partners in the Bristol Brexit Response Group, and with neighbouring authorities via a Brexit Lead Officers group.

Background Documents:

1. Corporate Strategy 2018 – 2023 - <https://www.bristol.gov.uk/policies-plansstrategies/corporate-strategy>
2. Bristol City Council Brexit No Deal Scenario Assessment - <https://www.bristol.gov.uk/mayor/bristol-and-brexit>
3. Officer Executive Decision – Brexit preparedness resourcing - <https://democracy.bristol.gov.uk/ieDecisionDetails.aspx?ID=456>
4. Overview and Scrutiny Management Board Brexit Update, July 2019 - <https://democracy.bristol.gov.uk/documents/s34197/OSMB%20Report%20-%20Brexit%20Update%20-%20July%202019.pdf>

Revenue Cost	£62,674 to date	Source of Revenue Funding	Government Brexit preparedness grant.
Capital Cost	£/	Source of Capital Funding	<i>e.g. grant/ prudential borrowing etc.</i>
One off cost <input checked="" type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:		
1. Finance Advice: The impact of Brexit on the finances of the Council has significant unknowns; this will be considered in more detail as part of the refresh of the Medium Term Financial Plan. The Council has received £314k of additional funding to support Brexit preparations which is being used only when necessary to ensure there is some level of flexibility to react to unexpected financial impacts.		
Finance Business Partner: <i>Mike Pilcher, Chief Accountant - 23/08/2019</i>		
2. Legal Advice: There are no direct legal implications for this report. The report will assist the Council to identify and mitigate any risks to the discharge of its statutory duties.		
Legal Team Leader: <i>Nancy Rollason, Head of Legal Services - 23/08/2019</i>		
3. Implications on IT: IT Services concerns remain in regards to supply chain for equipment and any adverse pricing changes post-Brexit. Also of a concern is the lack of clarity around continued GDPR obligations and data remaining in EU Data Centres long-term. We do not expect too much immediate disruption, and are working with the Brexit Co-Ordination Group who are provisioning good, clear advice where possible.		
IT Team Leader: <i>Simon Oliver, Director: Digital Transformation – 23/08/2019</i>		
4. HR Advice: There are no implications arising from this report as it is for information purposes. However, the report does highlight a number of workforce matters. Further work is being undertaken to review the workforce risks for the council's supply chain and directly employed staff. In addition, staffing resources may need to be allocated to support our preparedness and dealing with the implications of a no deal scenario. This is likely to impact on the delivery of other corporate priorities.		
HR Partner: <i>Mark Williams, Head of Human Resources – 23/08/2019</i>		
EDM Sign-off	Mike Jackson	22.08.2019
Cabinet Member sign-off	N/A (information item)	N/A
For Key Decisions - Mayor's Office sign-off	N/A	N/A

Appendix A – Further essential background / detail on the proposal Detailed Brexit Preparedness Work Stream updates	YES
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	NO
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO