

| | | | |
|--------------------------|--|---|--------------------------|
| Subject: | Brexit Resilience & Planning | | |
| Date of Meeting: | 3rd December 2020 | | |
| Report of: | Executive Lead Officer for Strategy, Governance & Law | | |
| Contact Officer: | Name: | Dee Humphreys | Tel: 01273 290555 |
| | Email: | Dee.humphreys@brighton-hove.gov.uk | |
| Ward(s) affected: | All | | |

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 This report and appendix provide an overview of Brighton & Hove City Council's preparations for the UK's withdrawal from the EU and related issues as overseen by the Brexit Working Group.

2. RECOMMENDATIONS:

- 2.1 That the Committee note the contents of this report and appendix, which provide an overview of the preparations made by the Council across its areas for the UK's withdrawal from the EU.
- 2.2 That the Committee authorises the Chief Executive to take any steps necessary or incidental to protecting the interests of the Council and the city in response to emerging issues connected with Brexit.

3. CONTEXT/ BACKGROUND INFORMATION

National Developments

- 3.1 The UK left the EU on 31st January 2020 and entered a transition period where existing EU rules and regulations have continued to apply. The transition period ends on 31st December 2020 when replacement rules and regulations will be introduced in the UK and the free movement of people, goods and services will end.
- 3.2 During the transition period the UK and EU have entered negotiations to agree future, trade and security arrangements from the 1st Jan 2021. At the time of writing the negotiations were continuing and no outcome had been confirmed. If a deal is agreed there will still need to be time given for the ratification of the agreement which could mean we are unclear on the future relationship until the very end of the year. Possible outcomes are:
- No deal (default to WTO terms)

- Trade deal aligned with the political declaration (UK outside Single Market and Customs Union)

3.3 Whether a deal is agreed or not there is likely to be some disruption in January as citizens and businesses grow accustomed to the changes that come with being outside of the Single Market and Customs Union. In a no deal scenario the risk of disruption is greater and it is prudent for the Council to prepare for all scenarios. There are several key areas that could be impacted by a disruptive EU Transition with some potential risks related to:

| | |
|--|--|
| Adult Social Care | Provider failure linked to rising costs and workforce changes. |
| Vulnerable/Low income households | The introduction of trade tariffs and potential disruption to supply chains causing shortages and price rises could cause households already struggling with the impacts of COVID to move further into hardship and tip those over the edge who are currently just getting by. |
| Council/Third sector capacity | Challenge to respond to concurrent crises, managing democratic process, wider wellbeing impacts on staff and volunteers. |
| Council finances | Increasing costs against backdrop of economic recession and increasing demand for advice services and financial support. |
| Civil disorder & community tensions | Local population and public services straining under dual pressures related to COVID and EU Transition. |
| Supply chains | Impact on food, fuel and medicine availability and supply, particularly surplus food supply and the impact on emergency food networks. |
| Business readiness | Unclear which businesses have plans in place to deal with potential disruption and whether they understand and are prepared for the customs/VAT/immigration changes coming into force from 1st Jan. |

3.4 However, the Government have invested significantly in border operations since the last potential no deal scenario, including workforce and infrastructure and have launched a number of communications campaigns in order to prepare citizens and businesses for the guaranteed changes related to EU Transition, including the new points-based immigration system and customs changes.

Local Preparations & The Response to COVID

3.5 Brighton & Hove City Council have been working with partners for a number of years to plan for Brexit and mitigate potential impacts on the council and city and had begun planning in earnest for the end of the transition period between January and March 2020, however preparations had been impeded by the urgent response to COVID from March until August and the need to divert capacity to the response and ensure business continuity across council services.

3.6 In a report to Policy & Resources Committee on 23rd January 2020 the Committee agreed to a recommendation for quarterly updates on the Council's preparation to be provided to Committee. This recommendation was unable to be fulfilled due to COVID impacts on capacity of officers. However, officers continued to monitor national and local developments related to Brexit during this time.

Brexit Working Group (BWG)

- 3.7 Members returned to Brexit planning at the end of August through the reconvened cross-party Brexit Working Group, providing democratic oversight of the Council's preparations for the end of the year and beyond. Cllr Mac Cafferty had been replaced on the group by Cllr Ebel for the Green Group and at the August meeting Cllr Yates resigned his position as Chair of the BWG and Cllr Ebel was unanimously elected as the new Chair.

| Brexit Working Group Membership | |
|--|--------------------|
| Cllr Marianna Ebel (Chair) | Green Group |
| Cllr Dan Yates | Labour Group |
| Cllr Lee Wares | Conservative Group |

Risk Review & COVID Response & Recovery

- 3.8 Since 25th August 2020 the Brexit Working Group has since been meeting every three weeks to provide instruction and insight on priority steps the Council can take to prepare most effectively for the end of the year. Due to the dual challenges of responding to COVID and planning for Brexit, including the capacity of officers and partners emergency and the cross-over of potential impacts of a disruptive exit, the BWG agreed that Brexit related risks and issues should be reviewed through the Council's COVID response and recovery working groups and Brexit risks included within the risk action logs of the groups. The working groups also involve critical partners and will allow for an effective citywide response to potential challenges from 1st January 2021.
- 3.9 The Brexit Implementation Lead has been working to inform the working groups of potential risks and develop mitigations and identified gaps in planning have been addressed through engagement with the BRPG, ELT and DMT members. The **BHCC Brexit Readiness Monitoring Report** (Appendix 1) provides a breakdown of current EU Transition related risks & issues and subsequent mitigations.

Brexit Resilience & Planning Group (BRPG)

- 3.10 The Council's officer Brexit Resilience & Planning Group, which provides management of risks and opportunities and agrees budget proposals for consideration of the BWG had also returned to Brexit planning in August 2020 and had convened to review the Readiness Monitoring Report in October. The group's membership includes representation from across the council's directorates and all members have been active in the COVID response and recovery. In order to try and limit the pressure on officer capacity, the BRPG has planned to meet once more in December and once again in January to review the Council's planning and to provide some assurance that mitigations are developed for any emerging risks or gaps in planning.

Business Continuity Plans (BCP)

- 3.11 During October and November council services have been reviewing their business continuity plans to consider the potential impacts of EU Transition as part of general Winter preparedness.

Partnership Planning

- 3.12 City Management Board members discussed EU Transition on 22nd September 2020 where it was acknowledged that there was still a great deal of uncertainty related to the outcome of negotiations and previous plans needed to be reviewed considering COVID impacts. All members agreed to ensure staff members working on EU Transition preparations within each organisation were connected and able to share planning and good practice.
- 3.13 The Brexit Implementation Lead has since been liaising with relevant staff in partner organisations to ensure the Council's planning recognises and supports that of its partners where possible and post-Brexit opportunities and priorities for the city are explored going forwards.
- 3.14 Brighton & Hove City Council are also part of the South East 7 group of regional local authorities, which also includes Kent CC. The BHCC Chief Executive has regular contact with the group and the Chief Executive of East & West Sussex provides a link to MHCLG as a designated regional LA lead on EU Transition. The group have a mutual aid agreement in place in the unlikely event of unmanageable disruption impacting on a regional local authority.

County Contingency Planning – Sussex Resilience Forum (SRF)

- 3.15 Brighton & Hove City Council are part of the Sussex Resilience Forum, formed of key public services in the county, which has been active for much of 2020 coordinating the county response to COVID and has received instruction from the Ministry of Housing, Communities & Local Government to review contingency plans related to EU Transition in consideration of the Government's Reasonable Worst Case Scenario (RWCS) in the event of a disruptive exit. In order to ensure effective planning for EU Transition the SRF have included a dedicated workstream to report into their Strategic Coordinating Group, which is leading on planning for Winter (D20) and the possible regional challenges related to COVID response & recovery, snow, flooding, flu pandemic and EU Transition. The workstream includes the BHCC Emergency Planning Team, Brexit Implementation Lead and other key Council officers critical to managing an effective response.
- 3.16 Current planning priorities include ensuring Newhaven Port is ready for any potential disruption related to new border requirements. Shoreham Port is currently not thought to be a risk due to its lack of 'roll-on, roll-off' capacity however Council officers are in regular contact with the port regarding preparations and development of mitigations. The impact of any transport disruption from regional ports can currently be managed effectively by the Council's Transport Team working with regional and national partners. Contingency preparations are continuing to be developed.

Communications

3.17 The Council's dedicated Brexit Communications Officer has been raising awareness of the changes ahead for residents and businesses, once the Brexit transition ends and new rules come into effect from 1 January 2021.

3.18 Areas of focus for the council and the city are:

- The EU Settlement Scheme (EUSS)
- The impact of a new immigration system
- New rules for businesses
- The impact of a new relationship with the EU on the visitor economy
- Trading with the EU
- Travel to the EU

3.19 As with all preparations for the end of the year, communications planning has been impacted by COVID and new ways of reaching people, particularly those who are digitally excluded or unable to leave their home due to COVID restrictions, are continually being sought.

3.20 Activity since resuming Brexit communications at the end of August, has included:

- The development of an updated, dedicated Brexit in Brighton & Hove online resource reflecting and linking to the latest government guidance (at gov.uk) as well as signposting to local support services: www.brighton-hove.gov.uk/brexit-brighton-hove

Topics covered include:

- The transition period
 - The EU Settlement Scheme
 - Business and employment
 - Supporting our communities
 - Travelling to Europe
 - How the council is preparing for Brexit
 - EU Settlement Scheme aftercare
- A postcard raising awareness of the EUSS and encouraging EU nationals to apply to the scheme has been distributed to all households in the city. This initiative has been welcomed by EU citizens and heralded as an example of good practice. Positive feedback has been received from national campaign groups as well as a neighbouring local authorities who made contact to request permission to replicate the work.
 - Messages about the end of the Brexit transition period and upcoming changes from 1 January 2021, are regularly shared on BHCC's social media platforms, Twitter and Facebook.

Narratives include:

- We want our EU family to stay in Brighton & Hove:
<https://twitter.com/BrightonHoveCC/status/1322857181469904899>
 - Prepare for a new relationship with the EU:
<https://twitter.com/BrightonHoveCC/status/1322108589331415040>
 - Changes for businesses:
<https://twitter.com/BrightonHoveCC/status/1323303894647246849>
 - Sign up for free DBEIS webinars:
<https://twitter.com/BrightonHoveCC/status/1323627305273597952>
 - Checklist for arts, culture and heritage sectors:
<https://twitter.com/BrightonHoveCC/status/1323219590403543040>
 - Checklist for tourism sector:
<https://twitter.com/BrightonHoveCC/status/1323312750936891392>
 - New rules for travelling in Europe:
<https://twitter.com/BrightonHoveCC/status/1323914158384009218>
-
- A video featuring Cllr Ebel, Chair of the Brexit Working Group, calling for EU nationals to apply to the EUSS has been widely shared on social media:
<https://www.youtube.com/watch?v=-FUyfpRubo>
 - The hashtag #WeAreBrightonAndHove is being used to link Brexit communications activity and promote a sense of community and cohesion.
 - Editorial and adverts about the EUSS have featured in local, community magazines including:
 - Gscene
 - The Argus
 - The Scroll
 - The Brightonian
 - The Hovarian
 - The North Laine Runner
 - Tailored Brexit communications are being shared with local partners and business networks including Brighton Chamber, Greater Brighton, Brighton & Hove Economic Partnership, VisitBrighton and the Business Improvement District.
 - EUSS adverts are being displayed on digital bus shelters citywide.
 - Internal communications at BHCC have included:
 - A letter from the chief executive to all staff outlining support for our EU residents and workforce.
 - A letter from the chief executive to the Leadership Network raising awareness of the EU Transition period and the EUSS.
 - Information shared with services/staff without ready access to digital communications, including within Cityparks and Cityclean.
 - Gov.uk guidance on preparing for guaranteed changes at the end of the year Inc. Union support available related to EUSS.

- 3.21 Building on the WeAreBrightonAndHove campaign, work is underway to explore the development of a national and international campaign to promote the city as an open and welcoming place for businesses and visitors. The purpose being, to support the local economy through recovery and the wider economic changes next year.
- 3.22 The Council's Head of Communications is part of the Sussex Resilience Forum communications group who will coordinate consistent messages across public services in the county in relation to food, fuel and medicine should any disruption arise. And the council is working with the CCG to ensure local health messaging is communicated through Council networks as appropriate.

EU Settlement Scheme (EUSS)

- 3.23 The Home Office release quarterly EUSS application statistics broken down by local authority area. In August 2020, 20,280 EU citizens from Brighton & Hove had so far applied to the scheme. With 1,590 EU citizens applied to the scheme in the 3 months between 1st April 2020 and 30th June 2020. This is the lowest number of applicants recorded in the quarterly statistics release since the scheme began. We can assume the low number of applications has been due to COVID impacts in April, May and June.
- 3.24 There is currently no available data on the number of EU nationals still needing to apply to the scheme and some EU nationals may not be intending to apply, however the BWG is continuing to monitor statistics and will work with officers to recognise any emerging trends that may help us identify a potential ceiling figure of EUSS applications in the city.
- 3.25 In relation to the impact of COVID on the application process, at the beginning of April the Home Office announced that applications would now be longer than usual owing to COVID restrictions. Delays have been reported to application processing times although some residents have received confirmation of their status within weeks of applying.
- 3.26 The deadline for applying to the scheme for EU nationals resident in the UK before the end of the transition period remains 30th June 2021. Those entering the country from 1st January 2021 will be subject to the new points-based immigration system.
- 3.27 A breakdown of the latest figures can be found below. The next release of statistics is expected in November 2020 and at the time of writing had not been published. New statistics will be shared in an updated briefing. Figures are rounded to the nearest 10.

Home Office EU Settlement Scheme Quarterly Statistics Brighton & Hove

| | 28 th Aug 2018 – 30 th Sep 2019 (Released 7 th Nov 2019) | 28 th Aug 2018 – 31 st Dec 2019 (Released 6 th Feb 2020) | 28 th Aug 2018 – 31 st March 2020 (Released 14 th May 2020) | 28 th Aug 2018 – 30 th June 2020 (Released 27 th Aug 2020) |
|----------------------------|--|--|---|--|
| Applications to the scheme | 9750 | 14970 | 18690 | 20280 |
| Granted Settled Status | 4860 | 7550 | 9430 | 10380 |

| Granted Pre-Settled Status | 3140 | 5960 | 7640 | 8410 |
|--|-------------|-------|-------|-------|
| Other outcome* | 70 | 120 | 220 | 280 |
| Applications still in process | 1680 | 1340 | 1410 | 1210 |
| Nationality | | | | |
| Austria | 60 | 80 | 100 | 110 |
| Belgium | 90 | 120 | 150 | 160 |
| Bulgaria | 310 | 430 | 520 | 570 |
| Croatia | 30 | 30 | 60 | 60 |
| Cyprus | 50 | 100 | 140 | 150 |
| Czech. Rep. | 180 | 330 | 410 | 440 |
| Denmark | 60 | 90 | 110 | 140 |
| Estonia | 40 | 50 | 80 | 80 |
| Finland | 80 | 130 | 160 | 170 |
| France | 650 | 1020 | 1290 | 1380 |
| Germany | 520 | 730 | 890 | 960 |
| Greece | 460 | 710 | 880 | 950 |
| Hungary | 530 | 810 | 980 | 1060 |
| Iceland | 20 | 30 | 40 | 40 |
| Ireland (Irish nationals not required to apply but can if they wish) | 20 | 30 | 40 | 40 |
| Italy | 1720 | 2680 | 3280 | 3510 |
| Latvia | 180 | 270 | 320 | 340 |
| Lichtenstein | 0 | 0 | 0 | 0 |
| Lithuania | 310 | 430 | 530 | 580 |
| Luxembourg | Between 1-9 | 10 | 20 | 20 |
| Malta | 20 | 30 | 30 | 40 |
| Netherlands | 220 | 300 | 380 | 420 |
| Norway | 50 | 80 | 110 | 110 |
| Poland | 1030 | 1540 | 1950 | 2110 |
| Portugal | 510 | 780 | 930 | 990 |
| Romania | 600 | 900 | 1140 | 1340 |
| Slovakia | 210 | 320 | 420 | 450 |
| Slovenia | 20 | 30 | 40 | 40 |
| Spain | 1190 | 1980 | 2480 | 2660 |
| Sweden | 250 | 370 | 460 | 490 |
| Switzerland | 40 | 90 | 120 | 130 |
| Non - EAA | 320 | 480 | 650 | 740 |
| Age Group | | | | |
| Under 18 | 660 | 1050 | 1320 | 1450 |
| 18 to 64 | 8840 | 13550 | 16890 | 18330 |
| 65+ | 240 | 360 | 480 | 510 |

*Other outcome refers to 'refused applications, withdrawn or void applications & invalid applications.

ID Verification Service

- 3.28 The Council had been providing a free ID verification service for EU nationals through the Register Office at Brighton Town Hall. This service was paused in March due to COVID restrictions and this was reflected nationwide. It is currently unclear to what extent there is still a need for this service, particularly with the availability of the EU Exit: ID Document Check app, however the reintroduction of the service is part of a number of actions related to ensuring local support is available for residents in relation to the EUSS.

Vulnerable EU Nationals

- 3.29 Migrant Help are continuing to provide advice in Brighton & Hove for vulnerable EU nationals who need help to register under the EU Settlement Scheme. Migrant Help adviser Charlotte Cheeseman continues to provide remote advice and application support across East Sussex & Surrey. Contact details can be found on the Council's Brexit in Brighton & Hove online pages.

EUSS Risks & Issues

- 3.30 Government measures related to COVID have provided a challenge to reaching those potentially needing assistance with their applications additional to the risks associated with the scheme identified by officers, advice providers and EU nationals rights groups including:
- Although the 'grace period' (Jan-June) allows EU nationals to apply to the scheme up to 30th June 2021, it is unclear at present how landlords and employers can distinguish between EU nationals resident in the UK before 31 December 2020 and new arrivals within that period. They may therefore refuse to accept EU passports as the only proof of eligibility to work and rent.
 - The lack of physical proof of EUSS status for EU nationals may mean employers and landlords are discouraged from hiring or renting to EU nationals due to the administrative burden attached to accessing the digital only status.
 - The digital only status currently excludes digitally excluded people from accessing the scheme and their proof of status without available support and technology.
 - We do not know how many eligible people there are in the city, not all EU citizens will know about the scheme or know they need to apply so risk losing their status and accompanying rights if the deadline passes without applying. Losing status will mean having No Recourse to Public Funds (NRPF) and losing access to health services, housing, employment and benefits.
 - However, the Government have announced that those with a reasonable excuse who do not apply to the scheme before the deadline will be allowed to apply afterwards. Guidance is awaited in the new year on the criteria for a 'reasonable excuse'.
- 3.31 At the time of writing the council were developing an EUSS Action Plan to ensure the council is doing all it can to raise awareness of the scheme and ensure relevant information and support is available to EU nationals who need it in the

run up to the application deadline. Consideration will be given to increasing capacity of the advice sector in the city and ensuring post-Brexit information related to the new immigration system is shared as necessary.

Food Supply & Security

- 3.32 Up until March 2020 the council had been working with Brighton & Hove Food Partnership to develop mitigations to potential risks linked to a disruptive exit. However, planning had been paused due to COVID and only returned to in October through the Food Cell that had been established to coordinate a citywide response to COVID food supply and security issues. This has provided an opportunity to review Brexit risks with access to a wider partnership of expertise and learn from the first-hand experience of responding to an emergency situation.
- 3.33 The Food Cell has developed an EU Transition Food Action Plan to ensure mitigations are in place from 1st Jan to limit the impact of any potential disruption, particularly on vulnerable and low-income households. The plan aims to tackle specific issues which may emerge or exacerbate the existing challenges of COVID such as supply chain disruption and rising costs.
- 3.34 As well as actions around engaging with local food networks to discuss risks and exploring longer-term opportunities around food resilience, the Brexit Working Group has agreed to allocate funding to specific actions that build on developments made during the COVID response and enable contingency measures to be in place from the 1st January 2021 including:
- One off £20,000 grant funding to the Sussex Food Depot to scale up operations in time for responding to potential supply chain disruption at the beginning of next year. The Depot is a social enterprise and innovation developed during the COVID response by Brighton Food Factory to source locally grown produce and donations for distribution to city food businesses and the emergency food network to reduce reliance on national/international supply chains and meet local need with local produce.

The Depot is a partnership including Brighton Food Factory, Brighton & Hove Food Partnership, Hisbe, One Church and Gleaning Network. The Council's one-off funding will enable vehicles and staff to be ready to respond to emerging challenges on the 1st Jan and is dependent on receiving assurances including a location being secured for the distribution hub itself which the BHCC Property Team are currently assisting with.

Measures outlined in this report related to food resilience in the event of a disruptive EU Transition have the potential to support the Council's own sustainability agenda in the long-term. The Depot distribution model aims to ensure locally grown and sourced produce can be more widely accessed across the city and region whilst reducing onward costs to consumers. The Sussex Food Depot also want to grow to support local and regional food procurement including public services, large employers and local food businesses as well as community food projects.

- A £20,000 grant has also been allocated for purchasing food supplies if there is supply chain disruption at the beginning of the year that will directly impact on emergency food provision. Learning from COVID suggests that any disruption to the 'just in time' supermarket supply chains and potential for stockpiling can mean supermarkets are able to ration and meet most demand but that surplus food supplies dry up which impacts on the emergency food network reliant on that surplus. This fund is allocated to allow a quick response to that potential risk and will cover enough food for the first 2 weeks of January. As with the COVID response, any major disruption may lead to the Government intervening.

Business Readiness

- 3.35 A potential issue highlighted through the Government's own assessment of EU Transition preparations was the potential lack of business readiness, which they are trying to address with targeted HMRC messaging and a national communications campaign. Many local businesses will still be managing the impacts of COVID and it is likely that smaller businesses will be unprepared for guaranteed changes at the end of the year.
- 3.36 As well as the targeted communications and signposting to support for businesses the council is undertaking, the Brexit Working Group have funded Brighton Chamber to design and run a programme of free support to local businesses to assist them in planning for the end of the year and beyond. The 'From Brighton with Love' programme (<https://www.brightonchamber.co.uk/from-brighton-with-love>) will launch in December 2020 and provide some flexibility to respond to emerging challenges or issues raised by local businesses. The core programme will involve:
- Q&A webinars and flagship events with experts answering questions on relevant topics including immigration changes, import/export changes, VAT changes.
 - As well as providing advice on preparing for changes related to EU Transition the programme will also provide opportunity for businesses to explore ways to access international markets and sharing of good practice in importing/exporting in particular the consideration of the changing nature of international business post-Brexit, including new trade agreements. This will be done through the establishment of peer support groups on relevant topics.
 - A video providing advice on importing/exporting will be produced and all events will be recorded and included as part of a dedicated web resource.
- 3.37 Along with Brighton & Hove City Council, the Brighton & Hove Economic Partnership will be an event partner and assist in communicating the programme to businesses. The programme is designed to complement advice and support already available across the region including through Sussex Chamber of Commerce (Customs declarations), Coast 2 Capital Growth Hub, the Business & IP Centre (BIPC) and the ERDF Hot House programme.

Wider Economic Considerations

- 3.38 It is currently difficult to gauge what the wider economic impacts of EU Transition will be without knowing the outcome of negotiations, being able to fully measure the impacts of the COVID response and recovery or understanding the potential opportunities available to the city through new trade deals.
- 3.39 However we do know that the new points-based immigration system will potentially have an impact on local sectors including retail, construction, tourism & hospitality and social care due to the salary thresholds that cannot be met in many of the jobs in those sectors and the reliance on overseas recruitment. Social care has an ongoing issue regarding recruitment that will need to be addressed in the coming years.
- 3.40 It is not yet clear if the large number of local EUSS applications means that in the short-term those sectors will not be affected by the new rules. In the medium to longer term however, there may need to be a focus on domestic recruitment.
- 3.41 The Council is currently developing employment and skills plans considering the impacts of COVID and has included potential Brexit impacts in its early discussions.
- 3.42 Great Brighton Economic Board and Coast 2 Capital have also published their COVID recovery plans which offer flexibility in being able to respond to emerging economic challenges and opportunities related to EU Transition and beyond.

MHCLG Funding – BHCC Brexit Budget

- 3.43 Brighton & Hove City Council had received three £105k allocations for the year 2019-20 from MHCLG to enable it to prepare the city for the UK's withdrawal from the EU. These allocations were received with different potential scenarios in mind including no deal and consideration of the Government's Reasonable Worst Case Scenario (RWCS). Previous spending priorities, including dedicated officer roles, have left the council with £245,000 to assist the organisation and city in preparing for EU Transition at the end of 2020 and into 2021. An outline of budget allocations agreed by the Brexit Working Group and informed by the latest review of risks are outlined below:

| | | |
|-------------------------------------|---------------|--|
| 2020/21 MHCLG Brexit Funding | £245,000 | |
| 2020/21 Budget Allocations | Amount | Further info |
| ID Verification Service | £3,700 | <ul style="list-style-type: none"> Covering Register Office staff time for provision of service until March 2020 |
| Corporate Officer Roles | £55,000 | <ul style="list-style-type: none"> Brexit Implementation Lead and Brexit Communications Officer roles extended contracts to March 2021 |
| Communications Budget | £40,000 | <ul style="list-style-type: none"> Design and distribution of citywide EUSS mailing Local media and newsletter EUSS advertising EUSS awareness raising & post-Brexit B&H campaign #wearebrightonandhove Potential international messaging in support of visitor economy Inc. conference market |

| | | |
|------------------------------------|----------|---|
| Immigration Advice | £40.000 | <p>EUSS Action Plan allocation:</p> <ul style="list-style-type: none"> Immigration advice – Increasing capacity of local immigration advice sector to respond to EUSS enquiries |
| EU Transition Business Support | £40.000 | <ul style="list-style-type: none"> EU Transition Business Support Programme - Brighton Chamber to provide webinars, online resources & establish and administer peer support groups on key areas of change e.g. import/export, VAT, recruitment. Potential post-Brexit support plan – informed by engagement with local businesses and changing national policy landscape. |
| Emergency Food Supply & Security | £40.000 | <p>Food Action Plan allocations:</p> <ul style="list-style-type: none"> Emergency food replenishment fund to mitigate supply chain disruption from 1st Jan 2020. One off funding for Sussex Food Depot to be running from 1st Jan 2021 - mitigation of supply chain disruption - sourcing local produce for local distribution, reducing reliance on national/international food distribution networks. Contributing to long term local food resilience goal. |
| Current Total Spend 2020-21 | £218.700 | |
| 2020-21 Total Remaining | £26.300 | |

3.44 The cost of the council’s Brexit preparations has so far not exceeded the funding received from MHCLG and at the time of writing there had been no further announcements or allocations of funding to local authorities to assist with EU Transition preparations.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The council have been preparing for Brexit for several years and has set up both member and officer groups which currently provide effective oversight and management of risks and issues related to EU Transition.

4.2 At the time of writing there is still some national policy and emergency planning uncertainty related to the outcomes of the negotiations and a very short timeframe in which to prepare. However, the current approach of the Council and partners in relation to managing both COVID response & recovery and EU Transition has provided a strengthened framework to respond to emerging challenges from the 1st Jan, which had not been in place at the beginning of 2020.

4.3 The Brexit Working Group and Brexit Resilience & Planning Group will review planning priorities in January 2021 once there is more certainty regarding the outcome of negotiations and this may present opportunity to look in more detail at alternative options focussed on opportunities the Council and city can explore through further policy development and recovery planning priorities.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The Brexit Implementation Lead has been routinely engaging with third sector partners, particularly immigration advice providers as well as the Equality &

Inclusion Partnership and will be attending the Upstanders Network and Brighton & Hove Faith in Action to identify what further support may be provided by the Council to assist with the EU Settlement Scheme and identify any further challenges to the city's communities.

- 5.2 The Brexit Implementation Lead and Brexit Communications Officer are also part of the Council's Community Tensions & Reassurance Group to ensure awareness of community issues are considered in the Council's preparations for EU Transition.

6. CONCLUSION

- 6.1 This report seeks to assure all members and the public that the Council and partners are planning for all eventualities related to EU Transition, particularly related to the city's COVID response and recovery.
- 6.2 Although planning has been developed over several years and key risks identified with mitigations in place, we may still find that from 1st Jan 2021, there may be other unforeseen issues which emerge.
- 6.3 It is also very challenging to ensure thorough preparation for EU Transition without knowing the nature of the UK's future relationship with the EU, however members, officers and partners are live to the fast-moving situation and strengthened channels of communication and relationships developed across sectors and localities through the COVID response and recovery provide a framework for responding to any potential challenges emerging during EU Transition.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The details of the MHCLG funding and the spending plans are detailed in sections 3.38 and 3.39 above. There is currently £0.245m available within the council's working balance to fund the Brexit preparation costs, which had cost approximately £0.070m at the time of writing. It is anticipated that the remaining costs will remain within existing resources.

Finance Officer Consulted: Peter Francis

Date: 16/11/20

Legal Implications:

- 7.2 This report outlines preparations made across a wide range of the Council's functions, in a context where the future relationship of the UK to the EU is [at time of writing] unclear. The actions and proposals in the report comply with the Council's legal obligations under the law, including under the Civil Contingencies Act. The Council's Policy & Resources Committee is the body with delegated authority for receiving this report.

Lawyer Consulted: Victoria Simpson

Date: 18/11/20

Equalities Implications:

- 7.3 The Government's own Equality Impact Assessment of the EU Settlement Scheme still awaits publication and may help the Council and partners more effectively identify potential risks and actions in its planning additionally to the risks outlined from paragraph 3.30.
- 7.4 The major risk to those eligible EU nationals not applying to the EUSS by the time of the deadline on 30th June 2021 will be losing their status and access to housing, employment, benefits and services. They could also be subject to immigration enforcement measures. It is critical that the Council supports the Government in raising awareness of the scheme and ensuring support with applications is available to those who need it. Particularly vulnerable EU nationals in the city.
- 7.5 Vulnerable and low-income households are likely to be disproportionately impacted by EU Transition, particularly if there is a disruptive exit. This will mean the introduction of trade tariffs causing rising costs for food and fuel as well as supply chain disruption likely impacting on emergency food networks.
- 7.6 The city will still be in the midst of COVID response and recovery at the beginning of 2021 and it is likely the issues related to a disruptive exit will exacerbate financial issues many residents will already be grappling with. The Council's Revenues & Benefits officers are monitoring developments.

Sustainability Implications:

- 7.7 As well as the measures outlined in this report related to food resilience the wider impact of EU Transition related to sustainability can be drawn from the Government's Environment Bill. The Bill provides a replacement of EU legislation and sets long-term legally binding environmental targets for the UK to meet including air pollution targets that may contribute to the Council's own environmental sustainability goals.

Brexit Implications:

- 7.8 See paragraph 3.1 onwards.

Crime & Disorder Implications:

- 7.9 The Council and partners had previously identified civil disorder and a rise in hate crime linked to Brexit and the Community Safety Team is continuing to work with the police to monitor community tensions and ensure messages of assurance are communicated as necessary. A community tensions review meeting is planned before the end of the year and again in January 2021 to ensure awareness of emerging issues and development of actions across partners.
- 7.10 The Council had included the potential for civil disorder and rises in hate crime in planning exercises related to Brexit in 2019 as had the City Management Board in considering an effective citywide/partnership response.

- 7.11 Sussex Police and the Council have systems in place to ensure that civil demonstrations are carried out in a safe way.

Risk and Opportunity Management Implications:

SR35: Unable to manage serious risks and opportunities resulting from the impact of Brexit on the local and regional society and economy.

- 7.12 As well as the Readiness Monitoring Report providing in-depth oversight of the potential major and minor risks the Council are currently monitoring and mitigating the council also recognises Brexit as a strategic risk and an update on planning around SR35 went to Audit & Standards Committee on 27th October 2020. The strategic risk will be reviewed pending changed national planning assumptions related to the outcome of negotiations.

Public Health Implications:

- 7.13 There is a risk that if there is disruption from the 1st January, particularly to supply chains involving medicines, medical equipment, food and fuel coupled with increasing costs to both the council and health and care providers, this could impact on the effectiveness of the city's COVID response and recovery.
- 7.14 However monitoring of relevant potential risks and development of mitigations related to EU Transition has been incorporated into COVID response and recovery working groups to aid effective planning as much as possible.
- 7.15 NHS England have contingency plans in place to ensure continued supply of medicines to patients from 1st January 2021 with no need for local stockpiling. Local clinicians will be advising patients they will not need to and should not seek to store additional medicines at home.

SUPPORTING DOCUMENTATION

Appendices:

1. BHCC Readiness Monitoring Report