



Report of the Cabinet Member for Economy and Strategy

Brexit Scrutiny Working Group 23 September 2019

EXITING THE EUROPEAN UNION – COUNCIL PREPARATIONS

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| Purpose | To provide information on Council preparations to deal with the relevant and likely implications from leaving the European Union. |
| Content | This report includes information on how the Council is preparing to deal with the relevant and likely implications from leaving the European Union on 31 st October 2019. |
| Councillors are being asked to | <ul style="list-style-type: none"> • Reflect and give their views |
| Lead Councillor(s) | The Leader, Councillor Rob Stewart |
| Lead Officer(s) | Adam Hill, Deputy Chief Executive |
| Report Author | Richard Rowlands, Performance & Strategic Delivery Manager |

1. General Description

- 1.1 The Council is preparing to deal with the relevant and likely implications from exiting the European Union (Brexit) on 31st October 2019.
- 1.2 The Council has established a cross-Council Brexit Steering Group chaired by the Leader of the Council to oversee the Council's preparations.
- 1.3 The Council is working with the WLGA to ensure there is a collective and consistent approach across Welsh local government in responding to Brexit; the Leader for the Council also leads for WLGA on Europe.

2. Why We Do This

- 2.1 Brexit has a number of possible implications for the Council, for service users and for the citizens of Swansea.
- 2.2 The Council must prepare for all eventualities; including the increased likelihood, since the appointment of the new Prime Minister, of a 'No deal' Brexit.
- 2.3 In doing so, the Council must follow the advice, guidance and directions provided by both UK and Welsh Government.

3. Management and Support

- 3.1 The Council has established a cross-Council Brexit Steering Group to oversee the Council's preparations. Its membership consists of key officers and it is chaired by the Leader of the Council; the group is meeting every 2 / 3 weeks;
- 3.2 The Leader as Chair is supported by the Deputy Chief Executive who is the lead Brexit officer and the Performance & Strategic Delivery Manager who is the Brexit Co-ordinator.

4. Stakeholders

- 4.1 The following departments are represented at the Brexit Steering Group:
- Finance
 - Health, Safety, Emergency Management & Wellbeing
 - Catering and Cleaning Facilities
 - Education
 - Housing and Public Protection
 - Social Services, including what was Poverty & Prevention
 - Revenue and Benefits
 - Communications and Engagement
 - Procurement
 - Community Cohesion / integration
 - HR
 - Legal and democratic services
 - Economic Development
 - ICT
 - Information and archives

5. Finance

- 5.1 The Council has received £45,000 from Welsh Government to assist with Brexit preparations.

- 5.2 All preparations are being done within existing resources and budgets.
- 5.3 No Council funding has been diverted from other areas to spend on preparing for or dealing with Brexit.
- 5.4 Any funding that might be needed in extremis post-Brexit would need to come from the Council's Contingency Fund (Reserves).

6. **Current Performance and Trends**

- 6.1 WLGA is co-ordinating a response on Council preparedness on behalf of local authorities, which Leaders will present to Welsh Government Ministers at the Partnership Council on 2nd October.

- 6.2 In the meantime, WLGA has recently re-procured and appointed Grant Thornton (GT) to provide consultancy support to assist WLGA with their Brexit support programme; GT will, in the first instance, produce a report on Council preparedness across Wales.

7. **Future Challenges & Opportunities**

- 7.1 The Council is preparing to deal with the following key implications from a 'No deal' Brexit:
- **Supply chains** - key suppliers have been identified and engaged and the Council has a reasonable level of confidence in the sustainability of the critical supply chains. Key Suppliers have been asked to complete a questionnaire to ascertain their level of readiness for a possible 'No Deal' Brexit.
 - **EU structural funds and grants** - After 2022/23 structural funds and programmes will end. There is still uncertainty around how this funding would be replaced and very limited alternative funding from Welsh Government and other sources.
 - **Workforce** - Swansea Council has identified 67 employees that are EU nationals. Further work is being undertaken, for example with schools and with commissioned providers in social care; they have been provided with information about the settlement scheme pilot and asked to cascade details to assist the Home Office with the roll out of this scheme. A wider communications exercise to all staff will also be undertaken, e.g. via staff newsletter, Chief Executives blog.
 - **Social Care** - All externally commissioned Providers have been contacted and asked to provide information on the number of vulnerable individual receiving care or support who may need to apply for settled status.
 - **School food supply** – food stocks have been built up,

along with frozen and tinned foods. A robust system is in place and other suppliers / providers are available but prices may increase and some flexibility regarding menus may be needed.

- **Communication & information** - Swansea Council has hosted the Home Office as part of an open event for EU citizens living in Swansea to learn about what Brexit will mean for them and have a chance to ask questions. We have also developed a Brexit webpage on the Swansea Council website <https://www.swansea.gov.uk/brexit> signposting to a number of useful websites that have been set up by the Welsh Government and the UK Government to provide useful, official information about Brexit.
- **Community cohesion** - The Council ran a survey on community cohesion under the Community Safety Partnership banner. A Welsh Government funded Community Cohesion Officer has been appointed – part of the role is to identify any community tensions that may arise as a result of Brexit and to coordinate a multi-agency response in developing community based solutions. We will continue to work with South Wales Police and partners and to respond proportionately regarding any intelligence-led information that may give rise to community tensions.
- **Civil Contingencies** - the Council continues as part of the Local Resilience Forum to focus on the national risk assessment which is being revised; much of the mitigation already being in-place. There will be another multi-agency workshop/exercise before the 31st October 2019. Business Continuity Plans are being reviewed and revised.
- **Information / ICT** - the Council has been looking to identify electronic systems that store Cloud data 'overseas' in EU data centres (including the Republic of Ireland). To date, no significant system that uses overseas data centres has been identified. The Asset Information Register is being checked for any systems that might have been overlooked.

7.2 To date, the Council has prioritised the identification and mitigation of key risks associated with Brexit. Going forward, in the event of a 'No deal' Brexit, the Council along with UK and Welsh Governments will need work to continue to mitigate any negative impacts – but there will also be an increasing necessity to identify and take advantage of any opportunities that emerge.

8. Risks

8.1 The Council developed a Brexit Impact Analysis regarding a 'no deal' scenario, which informed the development of a Corporate Risk.

8.2 The Corporate Risk, which is recorded on the Corporate Risk

Register is reviewed each month at Corporate Management Team and is informed by the work of the Brexit Steering Group.

9. Assessment

- 9.1 Overall, the Council is as well-prepared as it can be for the possible implications of a 'No deal' Brexit. However, in the light of the information now available from Operation Yellowhammer, all of us in local government in Wales recognise that while we have done all we can to be prepared, no amount of preparation will enable a public body to cover itself for all no-deal Brexit eventualities
- 9.2 Plans are being refined and further work is continuing on checking the resilience of ICT systems, reviewing Business Continuity arrangements, sharing information and intelligence, ensuring that partners and local employers are as prepared as they can be and that EU nationals are being identified and supported to apply for settled status.
- 9.3 In the meantime, the Council will continue to work with the WLGA to ensure that there is a joined-up and reliable approach to Brexit preparations as part of a whole-Wales effort to ensure that any disruption is minimised as much as possible.

10. Equality and Engagement Implications

- 10.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
- 10.2 Our Equality Impact Assessment process ensures that we have paid due regard to the above.
- 10.3 This briefing has no direct equality and engagement implications.

11. Legal Implications

- 11.1 This briefing has no direct legal implications.

12. Financial Implications

12.1 This briefing has no direct financial implications

Background Papers: None

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