

	<h2>Policy and Resources Committee</h2> <h3>3 October 2019</h3>
Title	Brexit Preparedness
Report of	Chairman of the Policy and Resources Committee
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – Brexit Impact Log
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Summary

A motion was passed at Council on 26 July 2016 that called on Policy and Resources Committee to consider the potential impact of Brexit on Barnet, in order to identify and respond to risks that may arise. Since this, three reports have been presented. The last report, presented on 20 February 2019, detailed the council's approach to planning for Brexit in order to ensure service continuity and provide re-assurance and support for council employees, residents and businesses. The current report provides an update on this activity.

This report sets out the council's approach for identifying and mitigating potential risks and opportunities arising from Brexit, which includes the development and ongoing review of an impact log. This has centred around the exploration of a set of key themes where it is anticipated there may be a potential impact to the council and the services it delivers, and the wider borough.

Due to the uncertainty and changing picture on a national level, the implications of Brexit are difficult to assess as the terms of exiting the European Union are yet to be confirmed. Work has been undertaken, using insight and data, to assess as far as possible how likely issues and opportunities are to occur and how significant the impact would be. Where necessary and possible, mitigating actions have also been identified. As well as looking at potential impacts on services and areas which are the direct responsibility of the council and its delivery partners, we have also engaged with other public, voluntary and private sector organisations in the borough through the partnership board.

As all local authorities, as well as central government, are undertaking similar preparations, we have ensured that this work has linked into guidance from central Government, the LGA, London Councils, London Resilience Forum and other local forums.

Officers Recommendations

1. That the Committee notes the action being taken to ensure that Barnet is prepared for the UK's departure from the EU.
2. That the Committee notes the approach to spend on Brexit preparation funding as set out in 11.2.
3. Authority is delegated to the Deputy Chief Executive (the Council's Brexit Lead officer) to take decisions in respect of the funding approach set out in 11.2.

1. WHY THIS REPORT IS NEEDED

- 1.1 This report is required to outline Barnet's approach to Brexit preparedness and the potential implications, opportunities and risks.

2. BACKGROUND

- 2.1 A motion was passed at Council on 26 July 2016 that called on Policy and Resources Committee to consider the potential impact of Brexit on Barnet. A report presented at a subsequent committee agreed monitoring a basket of indicators which reflected the broad trend in the local economy, labour market, and local community cohesion.
- 2.2 Council on 29 January 2019 further resolved to instruct Policy and Resources Committee to receive a report at its next meeting (20 February 2019) detailing the council's contingency plans in order to ensure service continuity and provide re-assurance and support for council employees, residents and businesses at this time.
- 2.3 This report acts as an update to the report taken in February. It is important to note that between February and October, many of the potential risks and impacts have not moved on significantly as the majority are either longer-term, will be better explored when we understand the terms of our departure from the EU, or when that departure has happened. In some areas, there is much greater clarity, for example with the introduction of the EU Settlement Scheme.
- 2.4 Due to the uncertainty and changing picture on a national level regarding Brexit, it is difficult to assess potential impacts on Barnet with certainty. Therefore, the council is

preparing for potential impacts that could occur under either a deal or no deal scenario. This work will evolve as more information is made available.

3. NATIONAL CONTEXT

- 3.1 On 23 June 2016, the UK voted, 52% to 48%, to leave the EU, having been a member since 1973. Voters in Barnet voted 62% to 38% to remain, broadly in line with the rest of London (60% remain). 'Article 50' was triggered by the UK Government in March 2017, giving the country two years to negotiate an exit deal.
- 3.2 A Withdrawal Agreement and Political Declaration on the future relationship between the UK and the EU was endorsed by EU leaders on 25 November 2018. On 29 January 2019, Parliament voted to seek to amend the Agreement to put in place alternative arrangements in respect of the Northern Irish Border. The Withdrawal Agreement was rejected by Parliament, for a third time, on 29 March 2019. This was followed by an extension of Article 50 until 31 October.
- 3.3 It remains the legal default to leave on this date; however, the European Union Withdrawal (No 6) Act 2019, which received Royal Assent on 9 September 2019, requires the government to seek a further extension to Article 50 should a deal not be reached by 19 October 2019.
- 3.4 To support local authorities with Brexit preparations, the Government announced funding allocations in January 2019 and August 2019. All London boroughs have received approximately £315k over the 18/19 and 19/20 financial years, with port authorities receiving additional funding.

4. OUR APPROACH

- 4.1 Through research and guidance from central government, the LGA, London Councils and other local authorities; a set of themes have been identified which have been used as a framework for assessing opportunities and mitigating potential risks. This has been captured through the creation of an impact log (appendix A) which focuses on the following themes:
 - workforce
 - citizens' rights
 - community cohesion
 - council funding
 - supply chain
 - IT/systems
 - legislation
 - economy
 - emergency planning
 - elections
- 4.2 The log does not address issues that are specifically the responsibility of other public bodies, such as NHS business continuity issues, except in so far as they might directly impact the council and its ability to deliver services.
- 4.3 Due to uncertainty around the nature of the deal or whether one will be achieved, the log includes opportunities and risks that could occur under either a deal or no-deal scenario.

Following the publication of the Operation Yellowhammer report, these scenarios have been incorporated into our planning where necessary.

- 4.4 This impact log is a live document and the council continues to assess the risks and opportunities under the themes identified as more information becomes available nationally, and the terms of any deal become clearer. This impact log guides the preparatory work of the council, helping to highlight any areas where further work or mitigations are needed. In addition to the impact log, the council's existing emergency and business continuity plans have been reviewed in light of the emerging guidance on the potential impacts of leaving the European Union.
- 4.5 A weekly working group was established at the start of the year, chaired by the Deputy Chief Executive. This group consists of senior officers from across the organisation, and is responsible for monitoring and adjusting plans as appropriate, and ensuring that agreed actions have been undertaken.
- 4.6 In addition to this, a Brexit Core Group has been set up to look at the cross-cutting business continuity risks; including transport and the welfare of vulnerable people. This will incorporate assessing the cumulative effect of these risks on the council.
- 4.7 We have also engaged with our delivery partners who are responsible for delivering services on behalf of the council, and have representation in the working group. These organisations identified many similar issues to the council, and have been incorporated into the impact log.
- 4.8 Keeping abreast of national developments also forms a key part of our approach and we will continue to monitor and follow any guidance provided by central government and national bodies. The council is represented on the London Resilience Forum, Local Authorities Panel, London Councils and London Prevent Network who take a co-ordinated approach to reporting information to the Ministry of Housing, Communities and Local Government (MHCLG).
- 4.9 The council continues to participate in pan-London conference calls and meetings to ensure our preparations align with what is taking place on a national level, which includes sharing thinking with other London boroughs. As part of this, we have reviewed the risk logs and preparatory plans of other authorities to benchmark our approach.

5. BREXIT IMPACT LOG

- 5.1 As described in the above section, our approach has centred around the exploration of a set of key themes where it is anticipated there may be a potential opportunity or impact to the council and the services it delivers. Work has been undertaken, using insight and data where available, to ascertain how likely these are to occur and how significant the impact would be if they were to. Mitigating actions have also been identified where necessary and possible. Further detail around each of the themes is set out within this section.
- 5.2 Since the impact log was first published in February 2019, many risk areas have remained stable in terms of their likelihood and impact, and therefore in some areas there is no significant update. This is primarily due to the fact that the national picture remains uncertain and we are still yet to know under what terms we will exit the EU.

Many of the identified risks are also anticipated to either have a longer-term impact, or will not be realised until after our exit from the EU.

5.3 Workforce

- 5.3.1 Approximately 6.5% of the council's directly employed workforce (112 individuals), and an additional 34 agency workers are from EU27¹ countries. The majority of these individuals work within our Streetscene and Family Services departments. The council has been, and will continue to, monitor levels of recruitment and retention in these services to see if any targeted support is required. To date, the turnover rate across the council remains stable and there have been no significant changes in vacancy rates. Once the potential Brexit outcome is known, work will be carried out with service areas to review the impact and any support requirements for employees.
- 5.3.2 Support is in place to help employees apply for EU settled status where necessary. This will be done through the Registrar's service, where the usual fee will be waived. Communications materials have been cascaded to ensure this message is disseminated across the organisation. Targeted HR support will also be offered to the Streetscene and Family Services directorates where the majority of the council's EU27 nationals work.
- 5.3.3 Sectors such as health, social care, environmental services and construction are known to employ high numbers of EU27 nationals. If Brexit exacerbates already apparent recruitment and retention issues in these areas, it may lead to business continuity challenges or some increased financial pressures, as a lack of supply increases wages in these areas. However, more vacancies in these sectors may also present an opportunity to support lower skilled residents to secure better paid employment.
- 5.3.4 In Barnet, approximately 27% of workers across our Adults Social Care supply chain have EU27 nationality; equating to around 2,800 individuals. Due to the existing pressures in Adults Social Care, there is a Sustainability and Transformation Partnership (STP) work programme already in place to review and mitigate risks. Barnet is leading the workstream on workforce and maintains strong links with local, regional and national initiatives. The Executive Director of Adults and Health wrote to adult social care suppliers, at the beginning of the year, asking them to update their business continuity plans and signposting them to support that they can access to help with staff retention issues and providing them with a key contact in Adults and Health that they can contact to raise any specific concerns they have relating to workforce retention.
- 5.3.5 The Adults and Health Care Quality Service has regularly contacted providers with updated guidance from central government and the Care Quality Commission and this is also discussed directly with providers through contract management and monitoring arrangements, as well as monitored through the council's provider concerns process where a supplier experiences quality issues. In April, the Adults and Health Care Quality service also contacted key adults social care providers asking them to rate the level of risk providers are experiencing/expecting as a result of Brexit. Beyond the on-going workforce issues within the care sector, there have been no significant issues raised in regard to specific risks of Brexit. The Care Quality Service maintain a programme of engagement with local providers to highlight opportunities regarding recruitment and

¹ Throughout this report, when referring to EU27 nationals, this is also inclusive of EEA and Swiss citizens.

retention. This will ensure Barnet remains an attractive place to work with access to training and skills enhancement sponsored by key commissioners (LBB, CCG).

5.3.6 The council has a significant capital investment, regeneration and house building programme to deliver over the next five years, and beyond. A significant proportion of our supply chain providers for construction and environmental services rely on European staff to maintain their operations and deliver construction projects. If there are staffing shortages, this has the potential to slow down or increase costs of projects and business as usual services. This is a concern that has been noted by CSG, Re and The Barnet Group. Although there are limits in what we can do in terms of mitigations, we can advise our providers on recruitment and retention initiatives via our Skills teams, including recruitment of apprentices. This also has the potential to open up opportunities to upskill local people to access jobs in these areas. The provider of the council's Highways services has reported that to date they have not seen a substantive drop in the European workforce, however, they have noticed that it has been more difficult to recruit over the past year. Our Strategic Construction Partners have informed that currently they have seen no difficulties in recruitment.

5.4 Citizens' rights

5.4.1 As at the last published monthly update of the Register of Electors (2 Sept 2019) there were 30,650 EU27 nationals registered to vote in Barnet. It has been confirmed by the government that if you are an EU27, EEA or Swiss citizen, you and your family can apply to the EU Settlement Scheme to continue living in the UK after 30 June 2021. If your application is successful, you'll get either settled or pre-settled status. Both statuses entitle citizens to the same rights, those with pre-settled status will be eligible for settled status after five years of continuous residence. The deadline for applying is 30 June 2021. However, if there is a no deal scenario you will need to be living in the UK before it leaves the EU to apply. The deadline for applying will then be 31 December 2020. Government has confirmed that in the event of a no deal exit, a separate scheme will be established to give temporary leave to remain to EU27, EEA and Swiss nationals and their families arriving after 31 October 2019.

5.4.2 Once an individual has settled or pre-settled status, their rights remain the same and they will continue to have access to the same benefits and services. We are not, therefore, expecting a sudden increase in residents having "No Recourse to Public Funds".

5.4.3 To aid our residents, communities and businesses we have developed an information page on our website to share information and advice. <https://www.barnet.gov.uk/your-council/advice-citizens-and-business-exiting-european-union>.

This will signpost to central government websites as well as sources of content that are nationally recognised as having valuable information, guidance and advice. In addition to this, we will use our range of communications channels to keep people up to date with any crucial developments, particularly around any impact on a local level.

5.4.4 The process to apply for EU settled status is primarily online via the Home Office. As of Monday 1 April 2019, the council started offering support with the digital ID verification process which is part of the application. Residents who are unable to use the app can therefore book an appointment with the Registrar's service to have their passport checked and verified in person. This service has now supported over 360 people, and

overall data shows that in Barnet there has been over 15,000 applications for EU settlement (as of 30 June 2019). Due to this increased demand on the Registrar's service, a temporary worker has been brought in to add capacity in the short term, so more appointment slots can be offered.

- 5.4.5 Local authorities also have a responsibility towards children in care, care leavers, vulnerable residents and those who are homeless to ensure they apply for EU settled status where necessary. Frontline staff in Adults and Childrens services are currently working to support this. There are currently 21 young people within the local authority's care who are EU27 nationals, and social workers have been supporting these with applications and gaining legal advice where necessary. Two volunteers have also been trained within the Housing service to support with applications for clients who are homeless.
- 5.4.6 Charities and voluntary organisations across the UK are also being funded to provide help and information to vulnerable citizens applying to the EU Settlement Scheme. Practical support is available for a range of needs including disabled people, those with severe mental health conditions and those who are elderly or isolated. Within Barnet, Citizens Advice Barnet are providing this service and the council is actively referring and sign posting to this service through BOOST. We are also working with the Romanian Cultural Charitable Trust to provide support.

5.5 **Community Cohesion**

- 5.5.1 Community cohesion and the potential rise in community tension is a risk area that has been identified by both ourselves and other public, voluntary and private sector organisations in the borough. This could occur regardless of the scenario under which we exit, including a delay in exit or a non-implementation of the referendum result. During the two weeks following the referendum in June 2016 there was in total 25 more incidents of Race and Religious Hate Crimes reported than would normally be expected. Geographically, this was distributed evenly across the borough and a similar pattern was reported across the UK. However, it cannot be assumed that this rise was solely due to the referendum result as there may have been other attributing factors.
- 5.5.2 Over the past 12 months to July 2019, there was a 7.5% increase in racist and religious hate crimes in Barnet, however these principally relate to increases in anti-Islamic and anti-Semitic hate crime, and there has been no indication that this is related to Brexit. In the period between June and July 2019 Islamophobic hate crime rose by 2.7% and anti-Semitic hate crime rose by almost 44%.
- 5.5.3 If the rise seen following the referendum is mirrored when the UK exits the EU and there is an increase in community tensions, then this could cause extra demand on Community Safety teams and the Police. We have identified where different nationalities and faith groups are based across the borough in the view that this will help us to direct resources effectively and efficiently. Analysis has shown that the top five EU27 nationalities represented on the borough's register of electors are: Romanian, Polish, Italian, Portuguese and French. The top five wards that these EU27 nationals reside in are: Colindale, West Hendon, Hendon, Childs Hill and Burnt Oak. The council will continue to work with the police to share intelligence and information to provide any support required and direct resources where most needed.

- 5.5.4 On a national level, it has been advised by the Police that plans are in place to deal with disorder and any outbreaks of community tension. The council has close links with the Police through the Borough Resilience Forum and will continue to maintain strong levels of communication in the lead-up to our exit from the EU. This will enable the council and police to be aware of and respond to any potential issues. In addition, the Prevent Co-ordinator maintains regular contact with the Community Security Trust (CST) and Tell Mama to monitor anti-Semitic and Islamophobic hate crime and related community tensions locally. The Met Police Hate Crime Dashboard is monitored on a monthly basis to monitor trends in relation to hate crime as the deadline for Brexit approaches.
- 5.5.5 Work will also continue with partners through the Barnet Safer Community Partnership's delivery of The Barnet Zero Tolerance to Hate Crime Project. This brings together Barnet Council, the Police, Barnet Mencap and other community and voluntary sector partners in order to increase the awareness and reach of Barnet's Hate Crime Reporting Centres. The Barnet Zero Tolerance to Hate Crime Project will also continue to implement its programme of hate crime awareness and reporting training to staff across the partnership. This will include the delivery of a series of hate crime awareness workshops with community and user-groups in Barnet.
- 5.5.6 The council, in partnership with our strategic partners, is also running a programme of work that celebrates the diverse communities that make up Barnet and further encourages community cohesion.
- 5.5.7 Communications plans and processes to enable two-way information share between the council and community groups on any feedback or messages around community tension will be reviewed and updated to enable effective partnership working.

5.6 Council funding

- 5.6.1 The economic implications of Brexit for the council and borough are very difficult to forecast and quantify with the terms of exiting the European Union yet to be confirmed. There is insufficient detail available to be able to take a more informed view at this stage, and, due to this uncertainty, whilst refreshing the Medium Term Financial Strategy (MTFS), neither a positive nor negative impact has been assumed within the budget.
- 5.6.2 The MTFS has, and will continue to be, refreshed using the prevailing economic conditions. Indicators such as inflation, interest rates and currency variations are continuously being monitored to understand and manage any direct impacts on the budget or the performance of Pension Fund assets.
- 5.6.3 By way of illustration of the sensitivity the council is exposed to of economic factors, the following points highlight key implications:
- if inflation rates increased or decreased by 1%, general fund costs would increase or decrease by around £2.7m
 - if interest rates changed by 1%, the cost of financing the borrowing within the current capital programme would change by £2.4m
 - however, business rates income is linked to CPI changes. A 1% increase in interest rates would also increase our baseline funding by £0.6m

- the council's business rates income is part of the top-up or tariff system. Within this system there is a safety net meaning the maximum loss to individual authorities is capped in the event of a downturn. For Barnet, this cap equates to roughly £4.5m. Conversely any business rates gain through increased economic activity will be shared between the council, the GLA and Central Government on the prevailing rates of distribution (currently 48%:27%:25%).
- the council currently assumes roughly an additional 1,000 band D equivalent homes per year over the course of the MTFS. A 1% deviation from that trajectory will cause approximately a £56,000 change in the MTFS assumptions
- the council's capital programme consists of a significant amount of construction work with many materials coming from overseas. Most of these projects are fixed price however future projects may be impacted by currency fluctuations. A 1% change in the value of Sterling vs the Euro would result in +/- £11,000 per £1m spent within the Eurozone
- a short-term change in inflation wouldn't have much impact on the Pension Fund or its funding. Should a persistent change occur, this would affect the cost to the council in funding its pension liabilities due to changes in liabilities
- a short-term change in interest rates will not have a significant impact on the Pension Fund or its funding, however a persistent change would have an effect. Should interest rates rise, the value of liabilities would fall meaning that the council's contribution to the fund could reduce. Conversely, should interest rates fall then the contribution from the council may need to increase.

5.6.4 We will continue to closely monitor these factors together with indirect budget impacts such as the rate of delivery of new homes which drive Community Infrastructure Levy, New Homes Bonus, and the growth of the Council Tax base.

5.6.5 If there are significant negative impacts on the council's income or expenditure, the council will need to take immediate and robust steps to reduce its expenditure in order to maintain its core responsibilities whilst also setting a balanced budget. The council maintains reserves to insulate against sudden shocks and to provide sufficient time to respond to the changing environment.

5.6.6 We do not currently rely on funding from EU grants and therefore do not need to develop an exit strategy for those funding streams.

5.7 Supply chain

5.7.1 The supply chains for both ourselves and delivery partners has been highlighted as an area that could be significantly impacted. If border controls are imposed, then this may affect the ready availability of vital supplies e.g. foodstuff, fuel and medicines. Changes to border controls or trade tariffs could also affect our ability to purchase raw materials, goods and services. Construction has been highlighted as the most likely area to be affected by this.

- 5.7.2 The council has undertaken an investigation exercise to understand, as far as it can reasonably ascertain, if/how much we trade with the EU on any products or services. This exercise has confirmed initially-held views that very few of the council's contracts are directly held with companies in the EU – it is our supply chains that may be impacted, primarily for the construction industry. Where required, procurement specialists will advise service leads across the council in respects of identified risks with their existing contracts; and support them in their efforts to develop mitigating actions.
- 5.7.3 The council's strategic construction partner, Graham's, has assessed their supply chain and there are ongoing efforts to minimise material imports from the EU. Current on-going projects are near completion and it is therefore anticipated that ordering the remaining materials are unlikely to be affected in terms of delivery or costs.
- 5.7.4 The council's procurement team is currently working to include a clause in any major contracts that ensures any impacts caused by Brexit are picked up by the supplier. The contract for construction of the Thameslink station reflects the potential risks of Brexit, including price increases and delivery timescales.
- 5.7.5 The Barnet Group have also highlighted there may be potential pressure on construction projects and are mitigating this by ensuring they have a number of construction partners to meet demand, and have various contractual measures in place to protect from contractor insolvency.
- 5.7.6 The Government recognises the vital importance of medicines and vaccines, and has developed a UK-wide contingency plan to ensure the flow of these products into the UK in a 'no deal' scenario. The Government is working with pharmaceutical companies, suppliers, and the NHS to make sure patients continue to receive the medication they need if the UK leaves the EU without a deal. The Government has analysed the supply chain, made plans to reduce the risk of disruption, and given instructions to pharmaceutical companies to ensure that they have adequate stocks to cope with any potential delays at the border. To avoid the uninterrupted supply of medicines following Brexit, the Department of Health and Social Care (DHSC) are putting in place arrangements for an 'express freight service'.
- 5.7.7 Council contracts are held with sexual health and substance misuse providers, and we continue to monitor these contracts regularly ensuring that they reflect their responsibilities in sourcing adequate quantities and quality medicines. There has also currently been no indication of increasing costs from these suppliers.
- 5.7.8 While the advice from government is that it is unlikely there will be an overall shortage of food, there may be a reduction in choice. If there was a shortage of some types of food, the council would work with central Government and other regional and national organisations to respond. The council is currently monitoring national guidance and preparedness plans. Public Health England are also considering food supply chains and where shortages might occur. Advice received from central government and other national bodies is that stock-piling should not be done on a local or individual basis.
- 5.7.9 If there are border delays and traffic congestion then this could potentially affect fuel distribution across London. The government have advised that in most circumstances, industry is best placed to respond to minor incidents and outages. However, if the situation were to become significant, there are robust business continuity plans in place

on a national level to ensure that fuel supplies are distributed to critical services. The council's own business continuity plans also address contingencies for dealing with fuel shortages, including the ability for employees to work flexibly if they are unable to travel. Council fuel suppliers have reported that they predominantly procure their fuel stocks from within the UK and hold a reserve capacity.

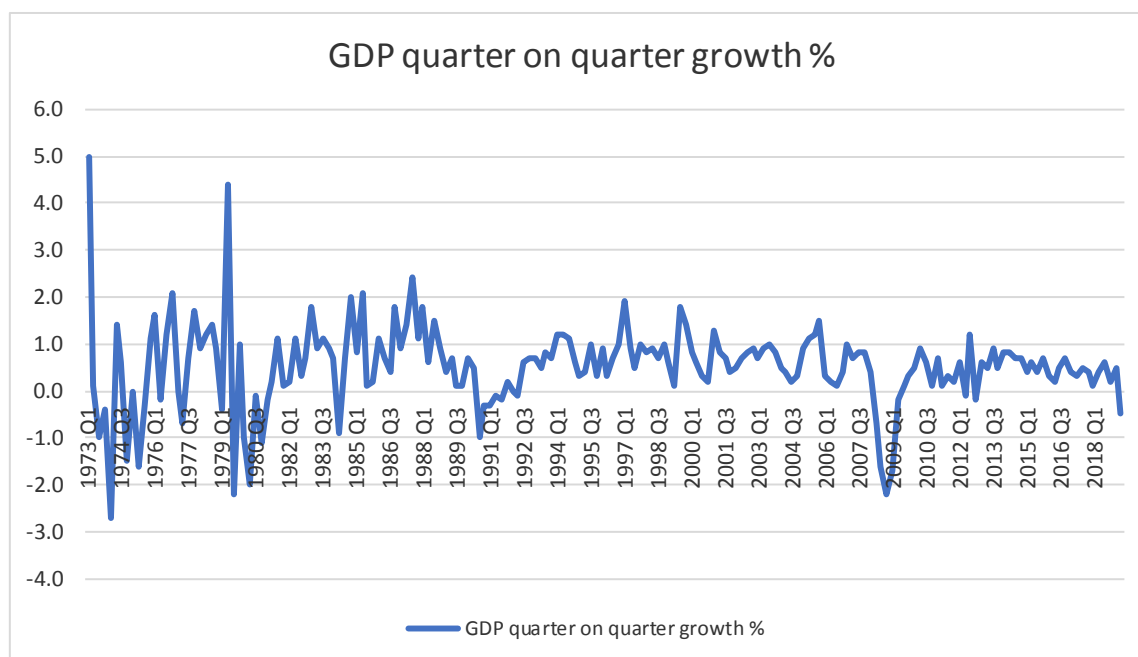
5.8 IT / Systems

5.8.1 It is not anticipated that there will be any negative impacts in this area as the majority of the council's and its delivery partners' data servers are hosted within the UK. We have one data server that is hosted within the EU. We are currently working with providers to confirm that access to data will remain when we exit the EU.

5.8.2 Work has taken place across the council with all data information leads to ascertain to what level we may be impacted by disruptions in data transfers. Currently, there are no reported risks as there have been no identified areas where we transfer data with the EU.

5.9 Economy

5.9.1 Since the referendum, quarter on quarter economic growth has fluctuated between -0.2% and 0.7%, with no discernible overall trend. However, these are comparatively low rates of growth, and economic growth fell last quarter (Q2, 2019) for the first time since 2012.



5.9.2 Current growth forecasts for 2019 and 2020 show that Barnet is projected to remain in line with the wider London economy and to outperform other West London Alliance (WLA) boroughs as a group. The Financial and Business Services sector, which is prevalent in Barnet, is also generally expected to outperform other economic sectors.

5.9.3 The short term economic impacts of Brexit are likely to depend on the detail of arrangements for leaving the EU. We will monitor the key indicators of interest rates, inflation, exchange rate and unemployment, and make any necessary proposals to amend budgets and/or the Entrepreneurial Barnet programme and forthcoming Growth Strategy, which govern our skills, employment and economic development activity.

5.9.4 The local Barnet economy is predominantly micro-businesses, typically providing business-to-business services, and so is likely to be affected in line with overall economic impacts. The Operation Yellowhammer report highlighted the risk a no-deal exit may pose to smaller businesses who are unable to develop more comprehensive contingency plans.

5.9.5 In the longer term, it will be important that the council takes advantage of any opportunities arising from Brexit, for example by supporting lower skilled workers through schemes such as the skills escalator.

5.10 **Emergency planning**

5.10.1 If there are situations that arise immediately following Brexit that affect the borough, residents and workforce, then the council will have a role in responding to and managing this. Key areas highlighted have been shortages of some food, medicine and fuel, alongside possible civil unrest. Therefore, it is important that the council has appropriate emergency plans in place to respond effectively. The council has undertaken a review of our emergency response and business continuity plans which will cover any potential Brexit related response.

5.10.2 To ensure we are resourced in the event of an emergency, the council led a campaign earlier this year to recruit a number of Borough Emergency Control Centre (BECC) staff. Training for all of these individuals is now complete, and availability will be checked for the end of October.

5.10.3 The council is also part of the London-wide resilience forum which includes other partners such as the police and fire brigade. Keeping abreast of national guidance and feeding into wider reports to central government will be an important part of how emergency situations are monitored and responded to on a national level.

5.10.4 In the event of an emergency situation, the refreshed emergency response and business continuity plans will be put into action as appropriate.

5.11 **Elections**

5.11.1 Electoral Services have, and are continuing to undertake, preparatory planning to ensure that we are as ready as possible for any short notice elections that may occur. Initial discussions have already taken place with venues and internal communications have been sent out to employees for them to register their interest in working at an election.

5.12 **Legislation**

- 5.12.1 On 26 June 2018, the European Union (Withdrawal) Bill 2017-19 (EUWB) received Royal Assent to become the European Union (Withdrawal) Act 2018 (EUWA).
- 5.12.2 The EUWA will repeal the European Communities Act 1972 (ECA 1972) on exit day. The ECA 1972 currently enables EU law to become part of UK law, and gives effect to the principles of direct effect and the supremacy of EU law.
- 5.12.3 Brexit legislation if there is no deal (no withdrawal agreement and no transition period):
The new body of retained EU law will be created on exit day. Many of the Statutory Instruments (Sis) made in preparation for Brexit will come into force on exit day. The EUWA will repeal the ECA 1972 on exit day.
- 5.12.4 Brexit legislation if there is a deal (a withdrawal agreement and transition period):
The government has confirmed that most policy changes under Brexit-related primary legislation will not be required until the end of the transition period. The European Union (Withdrawal Agreement) Bill (WAB) will give effect in UK law to the UK's obligations under the withdrawal agreement that require domestic implementation. It will, for example, give domestic legal effect to some of the citizens' rights provisions, and will amend the EUWA to ensure that EU law applies to and in the UK during the transition period.
- 5.12.5 Many Statutory Instruments have already been drafted to be brought into force either at the end of any transition period or on exit day.

6. IMPACT ON PARTNERS

- 6.1 An important part of our approach to Brexit preparedness was reaching out to our partners to ascertain what preparations, if any, they are undertaking. This included both our delivery partners who we work closely with on a daily basis and are an integral part of the delivery of our services, as well as our strategic partners in the public, private and voluntary sector who we collaborate with to improve outcomes across the borough.
- 6.2 Key cross-cutting themes that partners have identified include concerns around their supply chains, workforce and overall community cohesion. There is also, a general feeling of uncertainty and a want for clearer guidance and support with preparations. The council will continue to liaise with partners to ensure that our preparedness approach is collaborative and that we are supporting one another to deal with any implications that arise or maximise any opportunities.

7. NEXT STEPS

- 7.1 In the weeks leading up to and following Brexit, for as long as is necessary, the following will be done:
- keeping abreast of national developments and guidance;
 - feeding into pan-London and national reports;
 - weekly project group meetings to review the impact log and assess any further risks as they arise;
 - identified actions and mitigations to be put in place.

8. REASONS FOR RECOMMENDATIONS

8.1 The proposed method of monitoring and assessing the impact of Brexit is deemed appropriate to ensure that any potential risks are identified and mitigated against appropriately and in a timely manner to help ensure the best outcomes for the borough.

9. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

9.1 The council could decide not to assess the potential impacts of Brexit. However, this could leave the organisation open to significant risks in terms of our ability to respond in an uncertain climate and impact the delivery of services.

10. POST DECISION IMPLEMENTATION

10.1 The approach outlined in section 4 will continue. The mitigations identified will be implemented and the impact log will be a working document that is reviewed and updated at regular intervals.

11. IMPLICATIONS OF DECISION

11.1 Corporate Priorities and Performance

11.1.1 This approach will help the council identify potential risks early on and respond appropriately to continue to ensure the best outcomes for Barnet residents.

11.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

11.2.1 There are resource implications associated with officer time which includes; attending the weekly working group and core Brexit group, conducting impact analysis, reviewing and updating the impact log, delivering on mitigating actions, providing information to and sharing information from national bodies and central government, as well as attending meetings with central government and local and regional partners.

11.2.2 As stated in paragraph 3.4, approximately £315k has so far been allocated to Barnet. This funding is to support with preparatory work and therefore officer time for leading on the co-ordination of preparations are covered by this fund. From October, the council plans to recruit a temporary Programme Lead, who will lead on co-ordinating the council's preparations and response to any emerging issues if they arise. Part of this funding has also been used to employ a temporary officer to support with the increased demand on the Registrar's service to assist residents to apply for settled status.

11.2.3 Funding has been allocated to support the promotion of public information of the EU Settlement Scheme and Brexit preparation, as well as a programme of work around community cohesion, celebrating the diverse communities that live in Barnet.

11.2.4 The remaining funding will be allocated appropriately if further costs arise as agreed with the Deputy Chief Executive. If necessary the council can also allocate funding through the civil contingencies act, and committee decision if required. This could include drawing down funding from reserves.

11.2.5 The forecasted budget for 19/20 can be found below. No specific costs were incurred in 18/19.

19/20 budget forecast – Brexit preparations	
Item	£
Salaries (charging of officer time co-ordinating Brexit preparations and for Programme Lead from Oct -April)	£81,700
Promotion of EU Settlement scheme and signposting to Brexit preparedness public information	£10,000
Cohesion programme and campaign	£10,000
Registrars (October / November to be kept under review)	£3,165
Total	£104,865

11.3 Social Value

11.3.1 This decision does not relate to a service contract therefore there are no social value considerations.

11.4 Legal and Constitutional References

11.4.1 Under the council's Constitution Article 7, the Policy and Resources Committee Terms of reference include: To be responsible for those matters not specifically allocated to any other Committee affecting the affairs of the council; to be responsible for the overall strategic direction of the Council.

11.4.2 For legal references please see the legislation paragraph 5.12

11.5 Risk Management

11.5.1 Risks and mitigating actions are captured in the impact log.

11.6 Equalities and Diversity

11.6.1 Section 149 of the Equality Act 2010 sets out the Public-Sector Equality Duty which requires a public authority (or those exercising public functions) to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not
- Fostering of good relations between persons who share a relevant protected characteristic and persons who do not.

11.6.2 It is not anticipated that this approach to preparedness will have a negative impact on any protected group. The inclusion of community cohesion and citizens' rights risks within the impact log will enable early identification of any potential negative impacts.

11.6.3 With the UK's departure from the EU, there may be impacts on particular protected groups. This will be continually monitored through the weekly meetings and updating the impact log. Mitigations will be put in place where necessary for any negative impacts.

11.7 Corporate Parenting

11.7.1 The approach outlined in this report will help the council identify potential risks early on and respond appropriately to continue to ensure the best outcomes for Barnet residents, including Children and Young People that are in the care of the local authority.

11.7.2 Local authorities have the responsibility, as corporate parents, to ensure all children in care and care leavers are supported to apply for EU settlement where necessary. Paragraph 5.4.4 outlines how the council is meeting this requirement.

11.7.3 The council has also put measures in place to ensure the stability of the workforce and support Children's social workers and other Family Services support staff in applying for EU Settled Status. The council successfully took part in the pilot programme, and now has a free service available for employees to get support with their online application.

11.8 Consultation and Engagement

11.8.1 There is ongoing engagement taking place with a range of voluntary, public and private sector organisations to inform our preparations. Details of this are outlined in section 4, Our Approach.

12 Insight

12.1 Business intelligence drawn from across the council and wider sources has been used to populate the impact log and provide commentary within this report.

13. BACKGROUND PAPERS

13.1 Report to Policy and Resources Committee – Monitoring the impact of Brexit on Barnet, 5 October 2016:

<https://barnet.moderngov.co.uk/documents/s34903/Monitoring%20the%20impact%20of%20Brexit%20on%20Barnet.pdf>

13.2 Report to Policy and Resources Committee – Monitoring the impact of Brexit on Barnet, 27 June 2017:

<https://barnet.moderngov.co.uk/documents/s40458/Monitoring%20the%20impact%20of%20Brexit.pdf>

13.3 Report to Policy and Resources Committee – Brexit Preparedness, 20 February 2020:

<https://barnet.moderngov.co.uk/documents/s51200/Brexit%20Preparedness.pdf>