

## **SCRUTINY COMMITTEE REPORT**

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Report Author	David Smith
Service Area	Change and Performance
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*To: Chair, Ladies and Gentlemen*

# **PREPARATIONS AND IMPLICATIONS OF BREXIT**

## **1.0 SUMMARY OF THE REPORT**

- 1.1 This report provides an update on the Council's preparedness for Brexit, any potential implication and risks, and how the Council will mitigate against any risks occurring from Brexit. With the lack of information available and the uncertainty on how Brexit will be executed, planning can be difficult. However, the Council has planned appropriately and proportional to the resources and information available.
- 1.2 Brexit is identified within the Corporate Risk Register as a Corporate Risk. Work has been undertaken to develop an action plan. This has been done by working with managers across the Council to identify risks and develop mitigation actions. Alongside this, a map of provisions available has been developed. This will assist in the work being done to prepare for Brexit. A Brexit Working Group has been set up, consisting of the relevant officers from across the Council to organise, scrutinise and help deliver the plan mentioned above.
- 1.3 The date the United Kingdom (UK) is set to leave to European Union (EU) is 31<sup>st</sup> January 2020. The action plan aims to ensure that risks are mitigated and identifies actions the Council needs to take following this date and beyond.

## **2.0 RECOMMENDATION(S)**

- 2.1 Updates regarding the Council's preparations for Brexit be noted
- 2.2 The Brexit action plan and risk assessment (as found in appendix 1 and 2 respectively) be debated

### **3.0 INTRODUCTION AND BACKGROUND**

3.1 With the United Kingdom's (UK) European Union (EU) exit planned for 31<sup>st</sup> January 2020. This report is being presented to the Scrutiny Committee to update on the Council's preparedness for Brexit and how the Council will mitigate against any risks occurring from Brexit. It is also being presented to offer the Committee the opportunity to scrutinise the Council's preparations and add robustness as the Council continues with its Brexit preparations. The purpose of the action plan is to ensure the Council has planned proportionately to mitigate against Brexit risks that have been identified.

### **4.0 WHERE WE WERE**

- 4.1 With the lack of information available and the uncertainty surrounding the circumstances in which Brexit will occur, planning can be difficult. The Council believes it has planned appropriately and proportional to the resources and information available.
- 4.2 Brexit has been recognised as a corporate risk (being recorded and monitored in the Council's Corporate Risk Register). A Brexit Risk Workshop was held in April 2019 to determine the greatest risks to the Council. A Brexit Officer was also appointed to support in the development of an action plan. This is a fixed term post that is funded by Welsh Government until April 2020.
- 4.3 The bulk of planning has been designed using the DRAFT Brexit Risk Action Plan. This is a live document that can be amended any time as new information becomes available. A Brexit Working Group has been created. This group consists of the relevant officers from across the Council to organise, scrutinise and help deliver the Brexit Risk Action Plan.

### **5.0 WHERE WE ARE NOW**

- 5.1 With the top eight risks being identified (section 5.2 below), the Council is drafting a Brexit Risk Action Plan (will be referred as the 'Action Plan').
- 5.2 The Brexit Risks that have been identified are:
- Workforce Disruption;
  - Fuel Disruption;
  - Food Shortage / Food Supply Disruption;
  - Supplies Disruption;
  - Increase Demand on Services;
  - Community Cohesion / Tension, Legislative / Regulatory Changes Impacting Service Delivery, Business; Local Economy.

- 5.3 The aim of the plan is to:
- Help identify the activities needed to be taken to help mitigate said risks
  - To plan and organise the next steps and actions that will make the activity successful
  - Keep track of Council work related to Brexit and update where possible
  - Ensuring that there are no gaps in Council preparations
  - Ultimately to enable the Council to go on with 'business as usual' when the UK leaves the EU
- 5.4 The Council has created an operational level Brexit Working Group. The aims of this group are:
- To give and receive updates relating to Brexit (including the Brexit Officer in the process)
  - To circulate any Brexit information to the relevant parities
  - To understand and help formulate the Brexit Risk Action Plan mentioned above. In regards to the plan the group will:
    - Help fill any gaps in the Council plans
    - To scrutinize activities and next steps / actions
    - Ensure plan is robust and of good quality
    - To monitor and maintain the Brexit risk register
- 5.5 With the Brexit Risk Action Plan drafted and the Brexit Working Group in place, the Council will be looking to refresh and if applicable update the Brexit risk register that was created in April 2019. The group will then continue to monitor the register.
- 5.6 MTCBC will continue to work with other Councils via the following events:
- At WLGA Brexit events
  - Welsh Government events and conference calls
  - EU Advisory Panel (MTCBC has been grouped with Cardiff, Bridgend, Vale of Glamorgan and Rhondda Cynon Taff Councils to create the South East Wales group)
- 5.7 MTCBC will continue to respond to requests for updates from the WLGA, Welsh Government and other relevant parities.

## **6.0 WHERE WE WANT TO BE**

- 6.1 MTCBC wants to ensure a map of provisions is available in the County Borough so that if problems occur people can be signposted efficiently. Also, to ensure that the Council has a robust plan that can be delivered in order to ensure that services are not impacted.
- 6.2 MTCBC wants to develop and maintain good relationships with other Council (and other relative bodies), and internal staff in delivering the action plan.

6.3 This action plan to be approved by Council. However, this plan will be ongoing and reviewed regularly.

## 7.0 WHAT WE NEED TO DO NEXT

7.1 The action plan will be taken to Corporate Management Team to gather feedback. It will also be taken to the Change and Well-Being Steering Group for challenge.

7.2 The action plan and Risk Register will be regularly reviewed to ensure that it includes and mitigates all risks.

## 8.0 CONTRIBUTION TO WELLBEING OBJECTIVES

8.1 As the outcomes of Brexit are unknown it is impossible to state if it will have a positive or negative impact on any of the Council's Well-being Objectives. To mitigate any negative impacts Brexit may have on the Council's Well-being Objectives, the Council has established a Brexit Risk Register, confirming the top eight risks to the organization, services and the public. With these risks, we have created a Brexit Risk Action Plan, this is a live document that will change as the Brexit process continues.

The table below identified the summary from the Integrated Impact Assessment.

	Positive Impacts	Negative Impacts	Not Applicable
<b>1. Merthyr Tydfil Well-being Objectives</b>	0 of 4	0 of 4	4 of 4
<b>2. Sustainable Development Principles - How have you considered the five ways of working:</b> <ul style="list-style-type: none"> <li>• Long term</li> <li>• Prevention</li> <li>• Integration</li> <li>• Collaboration</li> <li>• Involvement</li> </ul>	5 of 5	0 of 5	0 of 5
<b>3. Protected Characteristics</b> <i>(including Welsh Language)</i>	0 of 10	0 of 10	10 of 10
<b>4. Biodiversity</b>	0 of 1	0 of 1	1 of 1

**Summary:**

The main positive impacts are that developing an action plan and mapping the provisions available ensures MTCBC is considering the longer-term impacts of Brexit. Also looking at grant funding opportunities can prevent further problems from arising by offering funding opportunities to the community. Also, ensuring that MTCBC collaborates and involves people in the action plan, linking to strategies.

There are no known negative impacts at the time of undertaking this impact assessment.

**ELLIS COOPER  
CHIEF EXECUTIVE**

**COUNCILLOR ANDREW BARRY  
PORTFOLIO MEMBER FOR  
GOVERNANCE, PERFORMANCE,  
BUSINESS CHANGE & CORPORATE  
SERVICES**

<b>BACKGROUND PAPERS</b>		
<b>Title of Document(s)</b>	<b>Document(s) Date</b>	<b>Document Location</b>
<b>Does the report contain any issue that may impact the Council's Constitution?</b>		<b>No</b>