

# **BCC Brexit Readiness Programme**

## **ACHIEVEMENTS & NEXT STEPS**

Economy & Skills Overview & Scrutiny Committee Meeting 7 October 2020





# Economy & Skills Overview & Scrutiny Committee Meeting 7 October 2020

#### This presentation provides an overview on:

- Update on Brexit: Political landscape and timeline
- BCC's Brexit response: Risk register & BCC Brexit Readiness Programme
- Achievements since the last Committee update on 17 February 2020
- Next steps: Transition Period and beyond
- Recommendations





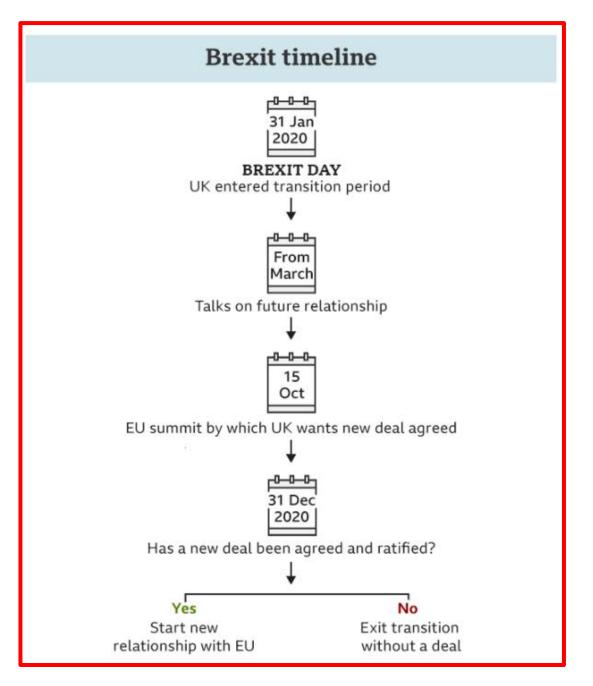
# POLITICAL LANDSCAPE & BREXIT TIMELINE



# **Economy & Skills Overview & Scrutiny Committee Meeting**

The UK has formally left the European Union (EU) but that is not the end of Brexit. The two sides have started negotiating their future relationship and need to implement the Withdrawal Agreement.

The scale of the task is huge and the outbreak of COVID-19 has cast doubts on whether everything can be done by the current deadline of 31 December 2020.



#### **Economy & Skills Overview & Scrutiny Committee Meeting**

#### RISKS AND IMPACT EVALUATION FOR BIRMINGHAM

Birmingham City Council conducted a **risk & impact assessment** to develop a Brexit Readiness Strategy and to prepare for the end of the Transition Period. The identified key areas are:

- Citizens, especially European citizens, who now need to apply for the EU Settlement Scheme to keep their right to live and work in the UK and have access to public services
- Businesses who trade with the EU need to prepare for the end of the Transition Period and the new Trading Agreement between the EU and the UK
- EU funded Council services and their continuity after the Transition Period
- Financial and operational consequences of the COVID-19 crisis and Brexit impact on economic recovery, especially the impact on Council's revenue and demand for services
- Adaptation of the relevant Council services due to the new trading standards and EU requirements for exports & imports, regulatory changes due to the transfer of powers from the EU law to the national law (e.g. GDPR, regional development), new structures and T systems due to loss of access to the EU ones (e.g. public procurement, trading standards)
- Preparation for the potential increase of the demand for the Council Services related to employment, youth, career, housing, trading standards and environmental health

# **No-deal Brexit**

If no agreement between the European Union and the UK is decided before the 31st of December.

# **BCC'S BREXIT RESPONSE**

BREXIT RISK REGISTER
2019



BREXIT READINESS
PROGRAMME
2020



### **BCC's Brexit Response**

#### BCC Risk Register: Initial impact & risk assessment for Birmingham

Short -term

# Impact on citizens

- EU Settlement scheme
- Repatriation of UK citizens
- Citizens with no recourse to public funds
- Product & food safety
- Public health
- Product fraud

# **Businesses** readiness

- Trading standards
- Imports & exports regulations
- New trade & regulatory regimes
- Introduction of WTO tariffs
- Cost of goods, materials, labour
- Supply of goods, material, labour

# Potential increased demand of BCC services

- Loss of EU funding for key services (e.g. employment, careers, youth services)
- Adult & social care
- NRPF/vulnerable adults
- Housing/ homelessness
- ICT, digital and customer services (e.g. call centre)
- Registration of vulnerable and looked after EU citizens
- Registration of the atrisk employees from the EU

Midterm

# Financial & operational impact on BCC

- EU funding
- Clarity on replacement funding
- Access to transnational funding (R&I, ETC)
- Workforce
- Procurement & contract management
- Data sharing & GDPR
- Delivery of major projects (e.g.CWG, HS2)

Longterm

#### Wider economic impact

- Unemployment
- Decrease in BCC's revenue due to economic shock
- Increase in homelessness
- Increase in the level of health and wellbeing issues
- Potential level of exposure to No-Deal Brexit in WM (12,2% and 11.3%)

## **BCC's Brexit Response**

#### **Towards the BCC Brexit Readiness Programme**

#### Strategy

- Addressing the key challenges in a structured way
- Reporting and documenting progress, issues, risks and planned actions regularly
- Ensuring continuous communication and collaboration across the Council

#### Approach

- Identifying the common needs, issues and gaps
- Coordinating the initiatives and actions for the common objectives to avoid duplication and increase efficiency
- Working as a team across the Council towards a common goal

#### Structure

- Following the corporate strategy for programme and project management
- Setting up the governance and reporting mechanisms
- Defining the objectives, activities, resources, timeline, budget and ownership for the planned actions



#### **BCC BREXIT READINESS PROGRAMME (BRP)**

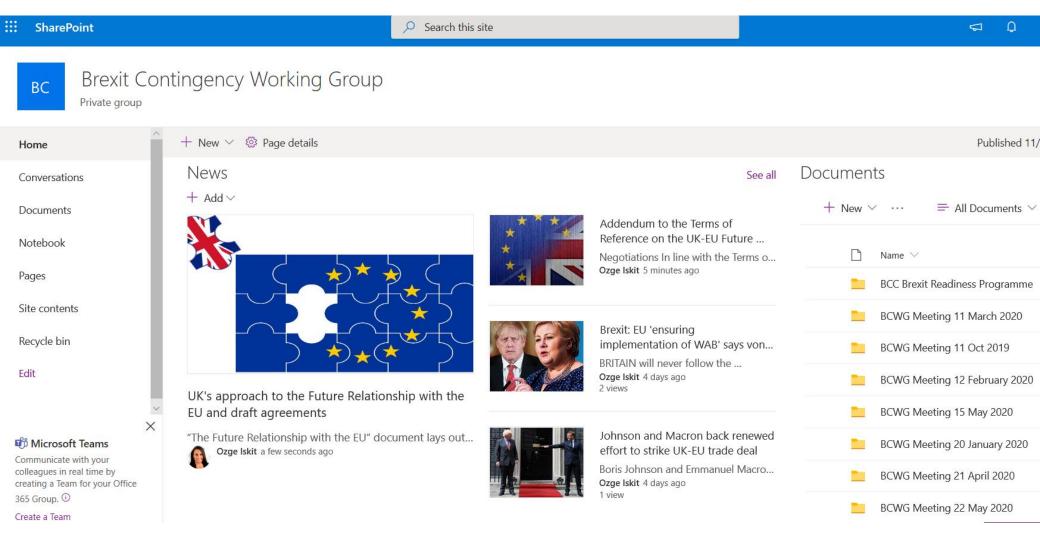
Corporate Leadership Team including Brexit Lead Officer: Jonathan Tew

Head of European & International Affairs: Lloyd Broad

Brexit Programme Manager: Özge Iskit

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Brexit Contingency Working Group chaired by Jonathan Tew								
Reporting			BCC BRP Work Streams				Reporting	
Trading Stand.	Environ. Health	EU Funding	EU Settlement Scheme	Supply Chain & Procurement	Impact of the economic shock on BCC's Revenue & Services	Comms	Regulat. Change	
Lead: Tony Quigley	Lead: Mark Croxford	Lead: Lloyd Broad  Action owner/ Liaison: Education: Anne Ainsworth	Lead: Bethany Finch Action owner/Liaison: HR: Tim Normanton Adult Social Care: Richard Doidge Children's Trust: Darren Shaw Housing: Guy Chaundy Comms: Sarah Kirby Benefits: Tim Savill Community groups: Chris Jordan Trading standards: Tony Quigley	Lead: Haydn Brown  Action owner/Liaison:  Adult Social Care: Richard Doidge  Business continuity: Georgie Collett CityServe: Sarah Williams Education: Anne Ainsworth Digital & Customer Service: Simon Field IT: Emma Coles Housing: Guy Chaundy CWG: Andrew Slattery	Lead: Tim Savill Action owner/Liaison: Finance: Alison Jarrett CityServe: Sarah Williams Adult Social Care: Richard Doidge Benefits: Tim Savill CWG: Andrew Slattery Community Tension: Waqar Ahmed WMCA: Tony Smith BID: Wayne Pell Health & Wellbeing: Justin Varney Housing: Guy Chaundy Education: Anne Ainsworth	Lead: Sarah Kirby  Action owner/ Liaison:  Adult Social Care: Richard Doidge  EUSS: Bethany Finch Children's Trust: Lawrence Vos  Education: Anne Ainsworth HR: Tim Normanton	Lead: Connie Price Action owner/ Liaison: GDPR: Malkiat Thiarai Trading standards: Tony Quigley	

#### **Economy & Skills Overview & Scrutiny Committee Meeting**





#### **Economy & Skills Overview & Scrutiny Committee Meeting**

### Available funding for the Brexit readiness actions

#### **BCC Brexit pot**

The MHCLG Brexit funding for the local authorities

**BCC** received £315K in total.

#### WMCA Pooled **Fund**

WMCA pooled fund raised by the contributions from the WM local authorities, which corresponds to 50% of the funding they received from MHCLG

**BCC** contributed £105K.

**BCC** has got approved funding for £121K.

#### **Home Office EUSS Grant Funding**

The new funding will ensure that the EU citizens who are the most vulnerable continue to receive a wide range of support online, over the phone and in person to help them apply to the EU Settlement Scheme. Funding will also be available across the UK for Local Authorities. The competitive bidding process will be for up to £4.5 million and will initially cover the period 1 October 2020 to 31 March 2021.

BCC submitted a bid for £149K.

#### Other government funding

Potential funding for the local authorities to register the vulnerable EU citizens above 65. The negotiations with the government are ongoing.

Dedicated funding for the mandatory obligations of local authorities and health and social care trusts supporting looked after children and care leavers to register for the EU Settlement Scheme to keep their right to live in the UK and have access to public funds and services.

BCC hasn't submitted any requests so far.



# **BCCS BREXIT READINESS PROGRAMME**

## **WORK STREAMS & KEY ACHIEVEMENTS**



## **Economy & Skills Overview & Scrutiny Committee Meeting**

#### **Workstream I - Trading Standards**

This Workstream aims at planning and execution of the necessary actions to mitigate the identified risks and prepare for the regulatory changes and Brexit impact on imports, exports, product safety, surveillance, fraud, regulatory regimes, such as:

<u>Importers</u>: UK distributors of EU goods in the UK market will become importers and will need to comply with the labelling requirements. Business advice to these "new importers" will be required.

**Exporters:** UK businesses that place products on the EU market will need business advice in relation to compliance including labelling.

<u>Product Safety</u>: If tariffs are applied to EU goods then it is probable that importers increase imports from third party countries in the rest of the world. Products from these countries are far more unlikely to meet UK product safety requirements. Trading Standards will have to significantly increase market surveillance to ensure product safety.

<u>Intelligence database</u>: Local authorities' Trading Standards teams will not have full access to the EU intelligence databases through where information is shared about unsafe consumer products (e.g. RAPEX or ICSMS). The Office of Product Standards and Safety has developed a new UK wide system. Trading Standards teams will need to be trained to use this new database.

<u>Misleading claims/fraud</u>: Disruption in normal trading conditions provides opportunities for rogue traders to exploit consumers and in particular vulnerable adults using Brexit as a pretext for entering into unwanted/fraudulent contracts



## **Economy & Skills Overview & Scrutiny Committee Meeting**

#### **Workstream I - Trading Standards**

#### **Government's Post-Transition Border Plan**

The transition period with the European Union (EU) will end, and the United Kingdom (UK) will operate a full, external border as a sovereign nation. This means that controls will be placed on the movement of goods between Great Britain (GB) and the EU. The UK Government has taken the decision to introduce the new border controls in three stages up until 1 July 2021.

- 1. **From January 2021**: Traders importing standard goods, covering everything from clothes to electronics, will need to prepare for basic customs requirements, such as keeping sufficient records of imported goods. Traders will also need to consider how they account for and pay VAT on imported goods.
- 2. From April 2021: All products of animal origin (POAO) for example meat, honey, milk or egg products and all regulated plants and plant products will also require pre-notification and the relevant health documentation. Any physical checks will continue to be conducted at the point of destination until July 2021.
- 3. From July 2021: Traders moving any goods will have to make full customs declarations at the point of importation and pay relevant tariffs.



#### **Economy & Skills Overview & Scrutiny Committee Meeting**

#### **Workstream I - Trading Standards**

#### **Government's Border Plan and Impact on Local Authorities**

"The Border with the European Union Importing and Exporting Goods" presents the government's plan for 2021 and beyond, which will have a major impact on the trading standards and the role of the local authorities. This will be an addition to the already increased workload of the Council's Trading Standards Officers due to the COVID-19 crisis.

#### Market Surveillance & Checks

A decision about a safety intervention at the border is based on risk assessments to determine whether a product poses a potential serious risk. The UK takes a risk based, intelligence-led approach to the checking of products.

Market surveillance authorities such as (and *principally Local Authority Trading Standards Officers*) work with border authorities (i.e. Border Force) at ports and other entry points and deal with consumer products that potentially pose a serious risk or may be non-compliant.

In addition to border checks for products covered by safety legislation, risk-based interventions by *the market surveillance authorities* may occur throughout the distribution chain and as a result of a specific issue.



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#### **Workstream II - Environmental Health**

This Workstream focuses on the new role of the local authorities and supporting businesses for exports to the EU in relation to Export Health Certificates and EU establishment listings.

<u>UK's Border Plan with the EU</u> outlines the new responsibilities of the local authorities. While some of these will have direct impact on the demand for BCC's services, the Council also has a role to play to support businesses and prevent high fees that might be privately charged for the different steps of the certification processes to export animal products to the EU.



#### **Workstream II - Environmental Health**

#### **Government's Border Plan and Impact on Local Authorities**

#### **Animal products (Products of Animal Origin and Animal By-Products)**

From January 2021, Products of Animal Origin (POAO) and Animal By-Products (ABP) being exported from GB to the EU will be subject to EU import controls in line with goods exported from the Rest of the World.

This will include the requirement for:

- goods to be accompanied by an Export Health Certificate in order to undergo documentary checks
- import pre-notifications submitted by the importer at least one working day in advance of arrival
- Entry via a suitable Border Control Post (BCP) in order to undergo documentary, identity and physical checks at the border

All goods will need to be accompanied by an Export Health Certificate (EHC) or other official documentation. The exporter will need to contact APHA to obtain the appropriate EHC which must be filled out by an Official Veterinarian or Official Inspector on inspection of the consignment. *Local Authority Environmental Health Officers* can sign for seafood. The original EHC must be physically presented at the BCP on arrival in the EU.



## **Economy & Skills Overview & Scrutiny Committee Meeting**

#### **Workstream II - Environmental Health**

#### **Government's Border Plan and Impact on Local Authorities**

Role	Policy Bodies	Operational Bodies
Imports and exports of live animals and animal products	Department for the Environment, Food & Rural Affairs or <b>Devolved</b> <b>Administration Equivalent</b> Animal and Plant Health Agency, Food Standards Agency, Food Standards Scotland, Fish Health Inspectorate, CEFAS Fish Health Inspectorate and Marine Scotland Fish Health Inspectorate	Animal and Plant Health Agency, Port Health Authorities, Rural Payments Agency, Scottish Government
Imports and exports of fruit and vegetables, plants and wood	Defra, <b>Devolved Administration Equivalent</b> , Animal and Plant Health Agency, Food Standards Agency, Food Standards Scotland	Animal and Plant Health Agency, Forestry Commission (and Scottish and Welsh equivalents), Port Health Authorities, Local Authorities, Rural Payments Agency, Scottish Government



#### **Workstream III – EU Funding**

This Workstream aims to understand the impact of the loss of EU funding, identify the risks and mitigation actions for Council's EU funded services and their continuity. One of the objectives is to develop a road map for the transition period of the programmes moving from EU funding to UK funding, initiating budget conversations with the government & understanding of the terms and conditions of the UK Shared Prosperity Fund (EU funding replacement), developing alternative strategies and works of working for fund raising and continuity of services (e.g. transforming the services into less funding dependent ways of working, looking into new fund raising opportunities)



# Brexit Impact on the European Structural and the Investment Funds (ESIF)

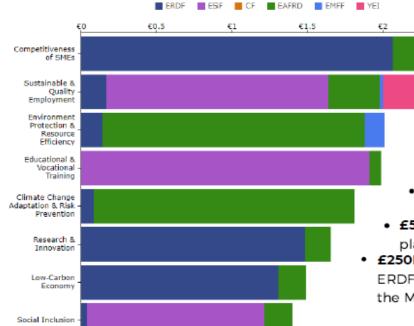
WEST MIDLANDS AND BIRMINGHAM
JULY 2020

#### WHAT ARE THE ESIF?

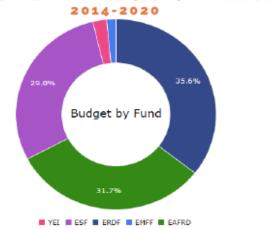
The European Structural and Investment Funds (ESIF) are the financial instruments of the EU Cohesion Policy focusing on the regional development and the reduction of disparities among the regions in the EU:

- ERDF: European Regional Development Fund
- ESF: European Social Fund. It also partially funds the Youth Employment Initiative (YEI)
- · EAFRD: European Agricultural Fund for Rural Development
- EMFF: European Maritime and Fisheries Fund

## ALLOCATION THE EU STRUCTURAL FUNDS IN THE UK 2014-2020



## EUROPEAN STRUCTURAL AND INVESTMENT FUNDS (ESIF) IN THE UK



# ESIF FOR REGIONAL DEVELOPMENT IN WM

- £5,3M of ERDF allocated to Reopen High Street Safely following the COVID lockdown
- £13M of ERDF allocated to the Sustainable Urban Development strategy alongside the HS2 project, the biggest infrastructure project in Europe
- £42M of the YEI programme received, highest allocation of this fund in the UK

€2.5

- £5M of ERDF for West Midlands cities' migration-friendly plan, as the most diverse region outside of London
- £250M Midlands Engine Investment Fund partly funded by ERDF to boost small and medium business (SME) growth in the Midlands.

ESIF managed by GBSLEP to tackle local challenges

# **Brexit Impact on the European Structural** and the Investment Funds (ESIF)

WEST MIDLANDS AND BIRMINGHAM **JULY 2020** 

#### IMPACT OF ESIF IN ENGLAND

65%

**6.4BN** 

ESIF allocated to England

ESF/YEI supporting the most vulnerable into jobs, education or training

**3BN** 

ERDF allocated to SMF competitiveness to close the productivity gaps between regions in England

720,000

Participants to the ESF programme in England, supported into employment, training or education.

#### GREATER BIRMINGHAM & SOLIHULL LEP (GBSLEP) ESIF STRATEGY

Allocation of resources across priorities and funds				
Priorities	ERDF / ESF Split		Allocation	
Innovation				
Stimulating Business and Enterprise	50% = £109.5m	Į	£45m	
Developing Low Carbon Communities	ERDF	l	£34.50m	
Promoting Employment and Mobility		50% = £109.5m ERDF		
Promoting Social Inclusion and Employability				
Skills for Growth and Entrepreneurship	ERDF			
Stimulating Business and Enterprise	EAFRD		£1.14m	
Total EU SIF Growth Programme			£220.14m	
Youth Employment Initiative	ESF		£19m	
Total EU Resources			£239.14m	

£14.6BN

22%

200,000

**£300M** 

European Structural Funds received by the UK for 2014-2020

Increase of the Structural Funds in 2021-2027 if the UK had stayed in the EU, due to increasing disparities between regions in the UK

SMEs supported by ESIF projects in 2014-2020.

Unallocated ERDF & ESIF that can be used for the economic recovery from the COVID-19 crisis



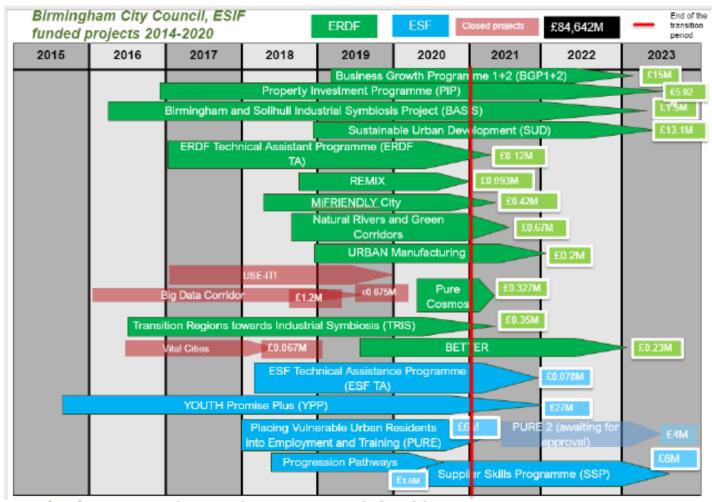
# EU Funding Impact Assessment for Birmingham City Council

BREXIT & LOSS OF EU STRUCTURAL & INVESTMENT FUNDS (ESIF)
JULY 2020

#### EU FUNDED KEY BCC SERVICES

The amount of European
Structural & Investmet Fund
that BCC received between
2014 and 2020 is £85 mio.
The EU funded services
provided by BCC are also
key areas for post-Covid-19
economic resilience. These
are:

- SME support
- · Employment and skills
- · Youth and career services
- Capacity building
- Innovation
- Urban planning and regeneration
- Transport
- Environment Zero carbon
- Sustainable urban mobility
- E-government
- Big/open data



Most organisations agree that Replacement Fund should remain at around the same level and be planned over long periods, in consultation with local authorities.

# EU Funding Impact Assessment for Birmingham City Council

BREXIT & LOSS OF EU STRUCTURAL & INVESTMENT FUNDS (ESIF)

**JULY 2020** 

#### THE REPLACEMENT FUND

- The Fund's budget should be no less in real terms than the funding streams that it replaces;
- It should be administered in multi-year financial allocations "of the longest practicable duration";
- The shares of funding received by the four nations of the UK should be maintained and funding allocations within those nations should be a devolved matter:
- Funding within England should be almost entirely allocated based on a needs-based formula that uses up-to-date statistics;
- Narrowing the differences in prosperity across the UK should be the Fund's main objective;
- The Fund should engage closely with local authorities and local partners.

# STAFF IMPACT & REDUNDANCY COST FOR BCC AND BIRMINGHAM

78

Estimated number of full time equivalent BCC staff funded by ESIF

£ 1,5M

Estimated redundancy cost for BCC for the full time equivalent staff funded by ESIF if no replacement fund is available

24

Estimated number of the ongoing fixed term BCC contracts

177

Estimated number of external jobs created for ESIF projects within 2015-2023 (delivery partners, suppliers, service providers, consultants, experts, etc.)

#### FURTHER IMPACT OF THE LOSS OF EU FUNDING

- Increase of precarity, especially with the COVID crisis for the most vulnerable people
- Skills training gap
- No job creation
- 40% of SMEs in Birmingham will stay innovation inactive.
- · Impact on supply chain
- Loss of expertise coming from collaboration with european partners
- Impact on Birmingham's network
- Some services not provided anymore as they were fully funded by EU funds following austerity and budget cuts
- High risk of not meeting the low carbon objectives



# ACHIEVEMENTS OF THE EU PROJECTS

3,282

**27,957** 

2,352

£85M

European Structural & Investment Fund received by BCC in 2014-2020\* SMEs in GBSLEP supported for competitiveness, waste management, skills devlopment between 2015 and 2023,\*\* Participants of the ESF/YEI programmes supported into employment, training or education between 2015 and 2023\*\*

Jobs created by the BGP and PIP projects between 2015 and 2023\*\*

Numbers from July 2020 - BCC is eligible to apply for further EU funding until the end of the financial period December 2020. BCC also manages projects funded by the European transnational Research & Innovation Fund Horizon 2020, for which it received £10M for the last EU budget period of 2014-2020.

\*\* EU budget period anaysed in this report is 2014-2020, however the project implementation period is 2015-2023.

#### Workstream IV - EU Settlement Scheme

There are <u>94,000 European citizens estimated in Birmingham.</u>

They now need to apply for the EU Settlement Scheme (EUSS) to keep their right to live and work in the UK and have access to public services. The deadline for applications is 30 June 2021.

According to the June 2020 statistics there are still 20,000 EU citizens in Birmingham, who need to apply to the EUSS. A big part of this group is estimated to be vulnerable citizens who need guidance and support for their applications. There is an important role to play for the Council to help the EU citizens in Birmingham to keep their rights to live and work in the UK and have access to public services.

Local authorities and health and social care trusts supporting looked after children and care leavers have mandatory obligations to identify and register eligible children to the EUSS. The government guidance documents *EU Settlement Scheme: local authorities toolkit* and *EU Settlement Scheme: looked-after children and care leavers guidance* outline the LAs' tasks and responsibilities.



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Workstream IV – EU Settlement Scheme

# **EU Citizens in Birmingham**

# THE EU SETTLEMENT SCHEME



There are 94.000 European citizens estimated in Birmingham, and they represent a valuable part of our community. The Birmingham City Council encourages the EU citizens and their families to apply to the EU Settlement Scheme (EUSS) to keep their rights to live and work in the UK and have access to the public services, such as healthcare and education, public funds and pensions and British citizenship (which can be applied for at a later date).

#### The Council has a dedicated EUSS page available at:

https://www.birmingham.gov.uk/info/20057/about\_birmingham/2011/city\_of\_sanctuary/4

Our Deputy Leader wrote a digital letter to the Birmingham citizens to support European citizens apply to the EUSS:

https://www.birmingham.gov.uk/downloads/file/15406/euss\_-letter to all residents



#### **Workstream IV – EU Settlement Scheme**

#### **EU Settlement Scheme UK Statistics**

EU Settlement Scheme applications by local authority in WM 28 August 2018 to 30 June 2020

Local authority	~	Total			
Birmingham		76,920			
Bromsgrove		720			
Cannock Chase		1,260			
Coventry		32,020			
Dudley		6,280			
East Staffordshire		8,700			
Herefordshire, County of		9,810			
Lichfield		1,530			
Malvern Hills		990			
Newcastle-under-Lyme		2,090			
North Warwickshire		1,080			
Nuneaton and Bedworth		5,260			
Redditch		4,970			
Rugby		9,660			
Sandwell		26,020			
Shropshire		5,860			
Solihull		3,430			
South Staffordshire		580			
Stafford		2,940			
Staffordshire Moorlands		570			
Stoke-on-Trent		12,920			
Stratford-on-Avon		4,800			
Tamworth		2,770			
Telford and Wrekin		9,160			
Walsall		13,230			
Warwick		7,570			
Wolverhampton		22,740			
Worcester		6,020			
Wychavon		6,150			
Wyre Forest		1,800			

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Workstream IV – EU Settlement Scheme

#### **EU Settlement Scheme UK Statistics**

EU Settlement Scheme concluded applications by outcome type, region and local authority, 28 August 2018 to 30 June 2020

	Local authority	▼ Total	Settled	Pre-settled	Other outcomes
	Birmingham	69,580	34,480	34,040	1,060
	Bromsgrove	690	440	250	*
	Cannock Chase	1,210	660	540	10
	Coventry	29,390	14,830	14,040	520
	Dudley	5,740	3,090	2,580	60
	East Staffordshire	8,040	4,550	3,370	120
	Herefordshire, County of	9,240	5,150	3,930	160
V	Lichfield	1,460	920	520	20
	Malvern Hills	940	660	270	*
	Newcastle-under-Lyme	1,970	1,130	810	30
	North Warwickshire	1,040	550	480	10
	Nuneaton and Bedworth	4,940	3,010	1,870	60
	Redditch	4,690	3,180	1,440	70
	Rugby	9,170	5,470	3,600	100
	Sandwell	23,690	12,320	11,020	350
	Shropshire	5,510	3,210	2,210	100
	Solihull	3,240	1,950	1,260	40
	South Staffordshire	560	360	190	*
	Stafford	2,750	1,560	1,140	50
	Staffordshire Moorlands	540	390	150	*
ics	Stoke-on-Trent	11,780	5,300	6,270	210
e	Stratford-on-Avon	4,590	2,410	2,130	60
S	Tamworth	2,660	1,310	1,330	30
	Telford and Wrekin	8,430	4,400	3,920	110
	Walsall	12,190	6,020	5,980	190
	Warwick	7,240	3,720	3,420	100
	Wolverhampton	20,890	9,290	11,170	430
	Worcester	5,690	3,190	2,420	80
	Wychavon	5,780	3,460	2,230	90
	Wyre Forest	1,710	1,090	600	20

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#### Workstream IV – EU Settlement Scheme

#### EU Settlement Scheme UK Statistics

EU Settlement Scheme applications by age group, region and local authority, 28 August 2018 to 30 June 2020

	Local authority	▼ Total	Under 18	18 to 64	65+
	Birmingham	76,920	17,760	57,970	1,190
	Bromsgrove	720	140	550	30
	Cannock Chase	1,260	150	1,100	*
	Coventry	32,020	5,450	26,230	340
	Dudley	6,280	1,330	4,790	160
	East Staffordshire	8,700	1,430	7,190	90
	Herefordshire, County of	9,810	950	8,730	140
7	Lichfield	1,530	170	1,310	40
	Malvern Hills	990	110	840	40
	Newcastle-under-Lyme	2,090	280	1,760	50
	North Warwickshire	1,080	130	930	20
	Nuneaton and Bedworth	5,260	880	4,300	90
	Redditch	4,970	650	4,250	70
_	Rugby	9,660	1,430	8,100	140
	Sandwell	26,020	6,310	19,190	520
	Shropshire	5,860	810	4,910	150
	Solihull	3,430	590	2,720	110
	South Staffordshire	580	50	500	30
	Stafford	2,940	350	2,540	60
	Staffordshire Moorlands	570	80	470	30
	Stoke-on-Trent	12,920	2,460	10,290	170
	Stratford-on-Avon	4,800	400	4,270	130
	Tamworth	2,770	320	2,430	30
	Telford and Wrekin	9,160	1,610	7,440	110
	Walsall	13,230	3,320	9,710	200
	Warwick	7,570	940	6,440	190
	Wolverhampton	22,740	5,310	16,950	480
	Worcester	6,020	730	5,190	100
	Wychavon	6,150	750	5,260	140
	Wyre Forest	1,800	220	1,510	70

#### **Workstream V – Supply Chain & Procurement**

This Workstream focuses on the potential challenges with the Council's supply chain due to the changes in exchange rate, import costs, as well as the potential legal and operational issues with the existing supplier contracts.

This Workstream is very important for the Council's business continuity and provision of services. It is an area heavily affected by the COVID-19 crisis. The potential no-deal Brexit in 2021 will increase the risk of financial instability of the suppliers and work force shortages, as well as increased cost of services, potential delays in delivery, and potential contractual issues due to potential regulatory changes (e.g. GDPR, import/export regulations and standards, etc)

From 1 January 2021 a new e-notification service called "*Find a Tender*" will be used to post and view public sector procurement notices. It will replace the requirement to publish notices in the Official Journal of the European Union. The government guidance <u>Public-sector procurement from 1 January 2021</u> outlines the new structure and the service.



## **Workstream VI – Economic Impact on BCC Revenue & Services**

This Workstream aims to understand and prepare for the <u>impact of the economic shock on Council's revenue</u> <u>and demand for services.</u> As a strategic forecast, it is planned to develop an econometric model based on the data collected from the Council's relevant services to estimate the impact of the economic shock in relation to revenue, demand for services and their costs.

The current economic situation due to COVID-19 and the enhanced role of the local authorities to provide financial support to businesses emphasise the importance of this Workstream. The economic shock that was expected in 2021 due to Brexit is happening now, and the post-Brexit circumstances after the Transition Period will increase the challenges for Local Authorities. Therefore, the possibility to join forces with NHS Birmingham & Solihull Clinical Commissioning Group will help to have a better understanding of the impact taking Brexit and the COVID-19 crisis into account.

As a part of this Workstream there is also a study is being conducted on "Response in Health & Wellbeing during an economic shock", which addresses the impact of COVID-19 and Brexit together. It aims to: Identify and describing what is known about unemployment/financial insecurity, caused by economic shock, and its implications for health and wellbeing.

Produce a tool kit that helps plan services in context of economic shock



#### **Workstream VII – Communications**

This Workstream focuses on developing and implementing a Communication Plan to inform and raise awareness internally and externally on all Brexit related risks and necessary actions for citizens and BCC services, including collaboration with WM LAs to reach out to all stakeholders in relation to EU Settlement Scheme and business readiness.

As a part of the Brexit Readiness Programme a dedicated EUSS page was developed and published on the Councils website. It is available at:

https://www.birmingham.gov.uk/info/20057/about\_birmingham/2011/city\_of\_sanctuary/4

Another outcome of this Workstream was the Deputy Leader's digital letter to the Birmingham citizens to support European citizens apply to the EUSS:

https://www.birmingham.gov.uk/downloads/file/15406/euss letter to all residents

The BCC EUSS Social Media Campaign was launched with the videos of the EU citizens working for BCC sharing their own experiences with the EUSS. The first video can be found at: https://twitter.com/bhamcitycouncil/status/1232660323376738306?s=21



### **Economy & Skills Overview & Scrutiny Committee Meeting**

#### **Workstream VIII – Regulatory Change**

This Workstream supports other workstreams and the Council's relevant services for monitoring the regulatory changes due to Brexit to have a good understanding of their impact on local authorities and their services.

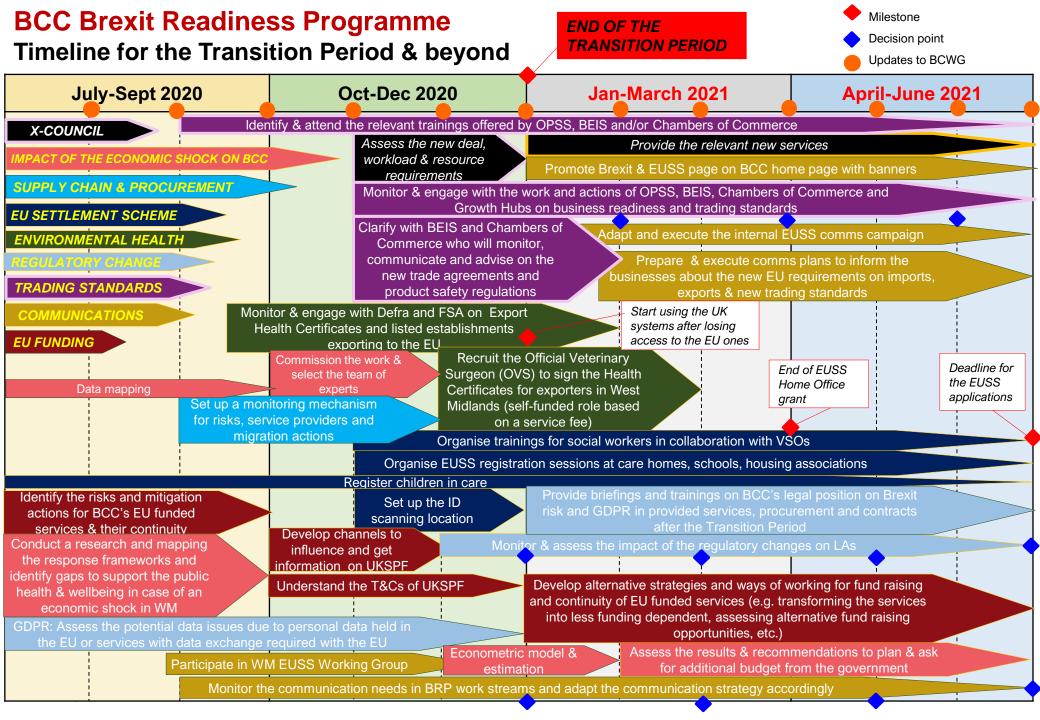
The continuous monitoring will be the key to early to ensure quick response and mitigating risks related to the upcoming regulatory changes. All services will be impacted by the government's decisions and new policies in 2021 and beyond.



# **BCCS BREXIT READINESS PROGRAMME**

# RECOMMENDATIONS AND NEXT STEPS





## **BCC Brexit Readiness Programme**

#### Cabinet Recommendations for the Post-Transition Period

Acknowledgement of the unresolved risks and challenges of Brexit and prioritisation of the planned actions to ensure readiness and risk mitigation.

Brexit Readiness Programme to continue in 2021

Integration of the Brexit Readiness Actions in Council's Strategic Delivery Plan and Economic Recovery arrangements to ensure alignment with the Council's plans and priorities

Acknowledgement of the close links between the planned Brexit Readiness Actions and COVID-19 recovery

Brexit Readiness Programme to be embedded in the existing Emergency Cell Structure to have a holistic approach for the common risks





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#### **Brexit Impact on the Economic Recovery from the COVID-19 Crisis**

- The UK's Approach to Negotiations & impact on trade with the EU
- The new Trade Agreement with the EU and the landscape of the post-Transition Period for Trading Standards
- Impact on Council Revenues & Demand for Services
- EU Funding and key services for COVID-19 economic recovery
- Workforce & EU Settlement Scheme
- Response to an Economic Shock in Health & Wellbeing

#### **Recommended approach for Council's Economic Recovery Strategy:**

Assessing the impact of Brexit on economic recovery and identifying the links between the COVID-19 response and planned Brexit readiness actions especially in:

- Health & Wellbeing (impact of the economic shock and demand for public services)
- Trading Standards (new regulations on imports & exports, labelling & packaging)
- Environmental Health (access to the EU market Export Health Certificates)
- SME support (EU Funding)
- Employment & Skills (EU Funding)



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Thank you very much for your attention.

**Questions?** 

