

Brexit Scenario Testing – November 2018

Scenario 1: No Deal Brexit			
Issue affecting the City/City Council	Potential Impact on the City/City Council	Can a LA do anything to mitigate the likely position?	What are BHCC currently doing and what options are there to do more? (including resource implications)
Trade	Export – Services: (e.g. Financial, digital), falling value of sterling will impact on costs, restrictions to on-line content and copyright, decanting of all or part of a business to a country in the EU	Yes	BHCC can work with DIT and C2C to provide information resources and signposting to advice services for business once details area published
	Import – Goods: increased costs for materials, products and food imports due to increased tariffs, bureaucracy and the falling value of sterling	Yes	The Council has Small Business Rate relief in place and has set local criteria. Businesses may face increase costs making some businesses vulnerable. This may lead to reduced Business Rate income and more request for rate relief. BHCC could consider initiating discussion with landlords to discourage rent increases during this difficult period. BHCC could liaise with Adur & Worthing regarding the implications of No Deal on the imports to Shoreham Port as there may be wider impacts.
	Business Regulation e.g. Import Regulations, Entry Summary Declaration, Product	Yes	There may be more requests to Environmental Health for Export Health Certificates

	classification for tariffs, VAT, excise duty. Revised copyright laws and protection of intellectual property, staff nationality checks, export health certificates		Increased calls and requests for business and legislative advice
Tourism	<p>Employment People 1st estimate that the sector will require 1.3m new staff by 2024 due to growth and high turnover rates. A “no deal” Brexit will cause confusion over rights or EU nationals in the UK and the ability of EU nationals to come to the UK to work</p> <p>Border control EU nationals are currently subject to a “soft border” regime. Introducing a hard border would cause significant processing delays</p> <p>Access Without a new EU-UK air services agreement and new agreements to replace the EU’s multilateral air services agreements, airlines could lose the legal framework for flying between the UK and EU airports</p> <p>Supply Chains Hotels and restaurants in the UK import approximately 50% of their foodstuff, the majority of which come from Europe. A No Deal would impact significantly on supply chains.</p>	<p>Work with businesses and training/education providers to fill staff shortages. Provide advice/support to businesses</p> <p>No</p> <p>No</p> <p>Work with businesses identifying alternative suppliers</p>	
Funding	<p>EU Funding:</p> <p>In July 2018, the ‘Treasury Guarantee’ was extended to provide further stability for UK partners post 29/3/19 in a no deal scenario.</p>	No – national issue	

	<p>The guarantee covers bids that are successful before the end of 2020.</p> <p>The Government has issued ‘no deal’ technical notices for some EU funding programmes, including that are of particular interest to organisations in the city (eg Horizon 2020, Erasmus+, Interreg). However, UK-EU discussions are on-going and details on the mechanisms by which UK organisations would participate post 29/3/19 are not yet confirmed. There is a risk that UK partners may not be able to access EU funds after 29/3/19 (risk may be different across different programmes according to current delivery framework).</p> <p>UK Shared Prosperity Funding:</p> <p>The Government plans to create the UKSPF to “reduce inequalities between communities” and “help deliver sustainable, inclusive growth”, to replace and build upon the current £8.4bn European Structural and Investment Funds (ESIF). Formal Government consultation on UKSPF has been delayed from autumn 2017, and is anticipated by the end of 2018. It is possible that there could be a gap between ESIF finishing and UKSPF starting.</p>		
Skills/Workforce	<p>EU workers leave the UK due to the implementation of new immigration status rules. Particularly relevant to EU newcomers with pre-settlement status. This follows the government’s declaration to end preferential access for EU citizens to Britain’s labour market in favour of a single immigration system</p>	<p>Promote employer awareness of EU settlement scheme so staff are fully informed particularly in light of the high number of SME’s</p>	<p>HR have taken part in an LGA webinar for local authorities to understand better the process of applying for settled status. HR are now working out how we communicate internally with our own staff and whether we offer – as</p>

	<p>for all.</p> <p>Potential curbing of low skilled migration from EU. Government focus on British people filling the vacancies in areas such as hospitality and social care, which rely heavily on EU migrants, effectively ruling out an exemption for certain sectors.</p> <p>Greater reliance on Tier 2 sponsorship for non EU migrants who can't secure a visa in their own right as government has identified highly skilled workers as a priority. Potential for cap of 20,700 workers per annum to be removed and the minimum salary threshold of £30000 to be reviewed.</p> <p>Tougher competition for staff across all skill levels</p> <p>Increasing difficulty in recruiting well qualified talent, senior and skilled employees</p> <p>Decline in language skills and diversity of available work force could impact upon key employers remaining in the City.</p> <p>Impact - skills shortage/recruitment and retention challenges in Health and Social Care, Tourism, Construction, Financial, IT and high growth sectors – across all levels including professional and unskilled/semi-skilled workers. The Government are reluctant to commit to exemptions for sectors beyond agriculture. A White Paper is awaited resulting</p>	<p>Ongoing engagement with employers to establish the impact of migration on skills and their workforce</p> <p>Promote through LEP, Chambers and membership organisations, workforce planning, resourcing and employee development strategies to employers, including higher level apprenticeships to upskill existing staff</p> <p>Continue to promote work experience, placements and developing closer relationships with education to employers to improve IAG and develop talent pipelines</p> <p>Continue to keep abreast of</p>	<p>some LAs have done – to fund the fees required to apply for settled status</p>
--	---	--	---

	<p>in ongoing uncertainty, followed by an immigration bill next year.</p> <p>Impact - decline in productivity – concerns from business regarding the time need to adjust to a new immigration regime. Concerns that small companies will be hardest hit because many of the EU nationals they hire are low or mid-skilled.</p> <p>Impact – increased responsibility and resource/financial burden for employers to secure a sponsorship licence. (Strict skill, salary and labour market protections are in place to ensure that sponsored workers do not undermine the job prospects of resident workers). Cap will need to be increased and/ or removed to satisfy demand. Most small businesses are unused to bringing in migrants under the visa system.</p> <p>Increase in pay and/or opportunities for unskilled/ low skilled UK and /EU settled workers. Potential wage inflation for employers.</p> <p>Impact – positive for employees – potentially negative for employers due to increased staff costs and financial viability – particularly SME's.</p> <p>Employers fall foul of right to work legislation due to complexity/lack of awareness of new arrangements, potential for increase in illegal workers</p>	<p>developments (white paper) and impact on local employers</p> <p>Promote awareness of employment law – increase employer engagement.</p>	
--	---	--	--

	<p>Impact – employers turn to illegal workers to fill employment opportunities.</p> <p>Impact - fines, criminal charges, reputational damage and/or the loss of any sponsored workers – particularly relevant in view of number of SME's</p> <p>Unclear status employment status of EU Nationals</p> <p>There are some concerns that there will be a rise in labour exploitation (a form of modern slavery) as skills shortages hit and organised crime fills the vacuum, with exploited UK or trafficked migrant labour. There may be less opportunity to co-ordinate international law enforcement to counteract these trends.</p>	<p>Possibly</p> <p>Yes – we can do more to raise awareness of labour exploitation and other forms of modern slavery in the city. We can continue our membership of county-side modern slavery network.</p>	<p>More calls to BHCC likely as residents and business seek advice on individual employment status Business closures due to loss of staff Businesses facing recruitment and retention problems</p> <p>Safer communities are recruiting to a fixed term post whose role will be to put in place a programme of awareness raising across the local authority and partners and to embed an understanding of modern slavery within existing safeguarding processes.</p>
Community Cohesion	<p>Rise in xenophobic hate crime and extreme right wing activity including on line and off-line communications.</p> <p>Growing isolation and marginalisation of some communities leading to a rise in other forms of extremism and an erosion of trust and confidence in services.</p>	<p>Yes - local authorities can bring communities together to foster good relations and they can support communities to develop positive counter-narratives to</p>	<p>A programme of counter extremism work is being taken forward within the community safety strategy 2017-2020 including developing counter narrative online, projects to increase reporting of hate crime. The Equality and Inclusion Partnership is developing a Unity</p>

		right wing extremism.	campaign to give new focus to our efforts to foster good relations. We continue to work in partnership with the community to maintain our status as a 'City of Sanctuary' for those seeking protection. This includes our ongoing multi-agency work to receive resettled refugees. We could potentially publicise this work more proactively as a positive narrative for the city.
Migration	<p>Sections of our large EU national population are unable to apply for settled status without advice and support. This could be more vulnerable members of our community – those who are functionally or digitally illiterate, children or adults in residential care, victims of violence and exploitation, rough sleepers etc</p> <p>Patterns of migration from within and outside the EU may change in unexpected ways.</p>	<p>Yes – we need to promote partnerships in the advice sector to co-ordinate the immigration advice offer for EU nationals in the city. Limited central government funding has been announced to build capacity within the CV Sector to provide this advice.</p> <p>Yes – we are members of the South East Strategic Partnership for Migration and now chair the Sussex and Surrey sub-group of this partnership and represent the sub-group at the regional</p>	Community Works and larger Advice Partnership organisations have been approached to request a meeting about this.

		executive board meetings where these national issues are discussed.	
Procurement			
State Aid	The EU state aid rules will be transposed into UK domestic legislation under the European Union (Withdrawal) Act. The Competition and Markets Authority will take on the role of enforcement and supervision for the whole of the UK. The council will continue to follow the same rules as it does at the moment e.g. when it gives and receives grants and or enters into agreements with the private sector (such as the loan agreement with the i360).	NA	Legal services will continue to follow developments and will advise where they have an impact on the council.
Food Safety and Standards	Significant likely increase in costs to the food industry food regulation section especially at ports of entry and ultimately to the consumer.	No national issue	Food standards Agency has issued paper setting out its proposed approach to leaving the EU see 'The Food Standards Agency's Preparations for the UK's Exit from the European Union.'
Waste	The markets for recycled materials could be negatively impacted as a large percentage is exported via the EU. Trade tariffs will increase costs and reduce the income from these materials. However if the value of sterling deteriorates against the Euro this could offset losses.	Yes	BHCC is in a relatively safe position because of the our PFI contract and the fact that our non recyclable waste is incinerated locally at Newhaven. A minimal amount of the city's waste is sent to landfill and none is exported. Our contractor, Veoila, is a big player in the market and can bulk sell recycled materials looking for the best deals. Increase focus on reduce and reuse of materials and the circular economy to reduce recovered

	The waste industry, including the city council, tends to attract a high proportion of EU workers. We are already experiencing and increasing difficulty in recruiting.	Yes	recyclable materials as well as waste. Develop apprenticeship schemes and ways to attract a more diverse workforce.
Consumer Rights	Minimal- majority of consumer protection EU directives have been fully implemented in various pieces of UK legislation and should survive intact at the point the UK leaves the EU	N/A	Nothing that the local authority can do discussions taking place at national level with Chartered Institute of Trading standards
Air Quality	<p>Arguably the Brexit process diverts civil service and other resources away from the governance of contemporary problems such as improving urban air quality. Policy and financial uncertainty for environmental regulators such as the Environment Agency and the Driver Vehicle Standards Agency (DVSA formerly VOSA). Unclear to what extent Local Authorities will merge and consolidate. The role of Local Authorities, their degree of autonomy and devolution remains un-determined.</p> <p>A no deal Brexit with inherent uncertainty could delay; decisive action (UK ownership of legislation) to agree the level of environmental protection, emissions standards, the switch to a low carbon economy and grants ring fenced to improve regional and local air quality. A risk that electricity tariffs and fuel supply is affected by a no deal.</p> <p>ECMT permits for articulated lorries to travel to the continent could be limited to the more</p>	YES	<p>Close working with public transport operators to accelerate no emission fleets. Seek grant support for buses to comply with the euro-VI ultralow emission zone asap. Applies to all buses running through North Street and Western Road.</p> <p>Active travel solutions to encourage continued modal shift away from private vehicles.</p> <p>Submit bids to the Office of Low Emission Vehicles to facilitate no emission taxis.</p> <p>Low emission options considered for the roadworks permit scheme.</p> <p>Input and participate in the local air quality action group with the Joint Air Quality Unit (Defra & DfT).</p>

	<p>stringent euro-VI emission standard. Port blocks with associated haulage (HGV) congestion, more likely to be adverse for highways in Kent than Sussex.</p>		<p>Seek alternative funds for measures to improve local air quality such as private investments.</p> <p>Planning Performance Agreements on major plans include guidance to improve local air quality.</p>
Resilience/Emergency Planning	<p>To assess threat and risk and assess the impact that an exit from the EU will have on BHCC's capability to plan for, respond to and recover from emergencies</p> <p>The European commission has published a paper "Preparing for the withdrawal of the United Kingdom from the European Union on 29 March 2019". It describes issues that have the potential to impact on Sussex:</p> <p>"Border issues: The European Union must apply its regulation and tariffs at borders with the United Kingdom as a third country, including checks and controls for customs, sanitary and phytosanitary standards and verification of compliance with EU norms. Transport between the United Kingdom and the European Union would be severely impacted...controls at borders could cause significant delays e.g. in road transport, and difficulties for ports."</p> <p>"Contingency measures would not necessarily involve legislative actions at EU level and could fall within the responsibility of the Member States, depending on the area of competence. In the area of customs, for instance, there</p>		<p>BHCC is part of the Sussex Resilience Forum (SRF). The SRF has been working with colleagues both locally and nationally The SRF have produced a Draft Risk Assessment.</p> <p>A cross-Government Border Planning Group (BPG) ensures all aspect of the border are appropriately managed and co-ordinated for EU exit. It aims to ensure three key objectives are delivered:</p> <ul style="list-style-type: none"> • Maintaining security • Facilitating the flow of goods and people • Revenue Protection <p>The BPG is supported by the Border Delivery Group (BDG), which is responsible for delivering the work required to prepare the border operationally for when we leave the EU.</p> <p>Sussex LRF and other LRF in the</p>

	<p>would be no need in principle to amend the Union Customs Code as it already includes rules on third countries; contingency measures for implementation at national level might be necessary to cope with the risk of long lines of vehicles waiting for customs procedures to be fulfilled. Within the framework of the Union Customs Code, contingency measures should be implemented and developed in a coordinated way.”</p>		<p>South East area are working to ensure that arrangements are in place for their area and to support Kent partners during period.</p> <p>The SRF Risk Group has recently reviewed the Community Risk Register and the following risks are seen to be linked to the no deal BREXIT scenario.</p> <p>H14 – Food Supply contamination H60 – High consequence dangerous goods / transport accident H24 – Emerging Infectious Diseases H25 – Major outbreak of exotic notifiable disease in animals (including birds) H37 – Influx of British Nationals</p> <p>In addition the following areas are seen as risks, but are not referenced in the Sussex Community Risk Register;</p> <ul style="list-style-type: none">• Loss of cover due to industrial action by workers providing a service critical to the preservation of life (such as emergency service workers)• Local accident on motorways and major trunk roads• Public Disorder• Notifiable plant disease / Notifiable exotic invertebrate species
--	--	--	--

			<p>BHCC are currently reviewing the local risk register to ensure that local county and national risks are mapped and fully assessed.</p> <p>Within SRF partners own risk management processes there is the risk to the supply chain where goods and products are imported from the EU main land. Partners should ensure that as part of the Business Continuity arrangements that contracts and supply chain issues are addressed through their Business Continuity Management Systems.</p> <p>Next Steps</p> <ul style="list-style-type: none">• The risk of, assumptions for and consequences from a Day 1 'No Deal' scenario provide SRF with clear priority areas for development. This work is being coordinated through the SRF. Including: <p>Command and Control</p> <ul style="list-style-type: none">○ From discussions, there is an expectation that Strategic Coordination Groups will be established in the month before 29 March.
--	--	--	---

			<ul style="list-style-type: none">○ Tactical Co-ordination may also be required during that phase.○ There is likely COBR interest in impacts during the first week of disruption.○ Command Control rotas will be required to cover the period from Friday 01 March until Friday 10 May (as a minimum and based on current information).○ Local Authorities should to consider Recovery coordination and ensure that the resources are in place to support this. <p>Human Aspects in an Emergency</p> <ul style="list-style-type: none">○ The SRF Multi-Agency Response to Prolonged Trapped Traffic on County Roads will be reviewed and updated to ensure that it is fit for purpose within this scenario.○ The Vulnerable People Plans will require validation in this context. <p>Business Continuity Plans</p> <ul style="list-style-type: none">○ Partners will need to ensure that they have resources to commit to the planning phase, yet still continue to deliver other critical services or plan for other risks○ Partners will need to ensure that they are able to support a prolonged response and have the capacity to respond to other
--	--	--	---

			<p>incidents</p> <ul style="list-style-type: none"> ○ Organisations supply chain arrangements will need to be assessed for potential impacts of any disruption and the validity of existing contractual arrangements ○ Partners will need to ensure that they have the capability to support the response and recovery phase and still deliver its most critical services. <p>As this work develops and the impacts and risks are fully understood BHCC will work with colleagues to review BC plans and exercising of BREXIT scenarios will be undertaken.</p>
Universities	Loss of funding for research & Innovation including funding post Horizon 2020 Impact on the falling value of sterling on EU income	Possibly	BHCC could support the university in highlighting to government the need for new funds to support research & Innovation, e.g. through the Shared Prosperity Fund
Language Schools	Visas EU nationals would need a study visa to attend Language Schools, greatly reducing their competitiveness.	Work with Govt to ensure local language schools remained viable.	

Scenario 2 : Continued Uncertainty			
Issue affecting the City/City Council	Potential Impact on the City/City Council	Can a LA do anything to mitigate the likely position?	What are BHCC currently doing and what options are there to do more? (including resource implications)
Trade	<p>Export – Services: (e.g. Financial, digital), falling value of sterling will impact on costs, restrictions to on-line content and copyright, decanting of all or part of a business to a country in the EU in order to retain access</p> <p>Import – Goods: increased costs for materials, products and food imports due to increased tariffs, bureaucracy and the falling value of sterling</p> <p>Business Regulation e.g. Import Regulations, Entry Summary Declaration, Product classification for tariffs, VAT, excise duty. Revised copyright laws and protection of</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>BHCC can work with DIT and C2C to provide information resources and signposting to advice services for business once details are published</p> <p>The Council has Small Business Rate relief in place and has set local criteria. Businesses may face increase costs making some businesses vulnerable. This may lead to reduced Business Rate income and more request for rate relief. BHCC could consider initiating discussion with landlords to discourage rent increases during this difficult period.</p> <p>BHCC could liaise with Adur & Worthing regarding the implications of No Deal on the imports to Shoreham Port as there may be wider impacts</p> <p>There may be more requests to Environmental Health for Export Health Certificates Increased calls and requests for business and legislative advice BHCC could consider preparing on-line</p>

	intellectual property, staff nationality checks, export health certificates		content and advice to manage the number of callers and requests for information
Tourism	<p>Employment EU nationals would continue to be able to live and work in the UK but long-term future would remain uncertain, leading to increased staff shortages</p> <p>Border control Current arrangements would remain for 2 years enabling a transition to a future regime designed to minimise delays</p> <p>Access Aviation Agreements would remain for 2 years, allowing replacement agreements to be negotiated.</p> <p>Supply Chains Supply chains would continue for 2 years, providing businesses with the opportunity in sourcing alternative suppliers if required. However, these would probably be less efficient, resulting in price increases and/or reduced choice.</p>	<p>Work with local training providers and educational facilities to improve the supply of workers</p> <p>No</p> <p>No</p> <p>Work with local businesses and producers groups to identify and rectify supply chain issues in the transition period</p>	
Funding	<p>EU Funding:</p> <p>Through the 'Treasury guarantee' UK partners will be able to participate in EU projects until 2023, for successful bids submitted before the end of 2020.</p>	No – national issue	

	<p>UK Shared Prosperity Funding:</p> <p>The Government plans to create the UKSPF to “reduce inequalities between communities” and “help deliver sustainable, inclusive growth”, to replace and build upon the current £8.4bn European Structural and Investment Funds (ESIF). Formal Government consultation on UKSPF has been delayed from autumn 2017, and is anticipated by the end of 2018. It is possible that there could be a gap between ESIF finishing and UKSPF starting.</p>		
Agriculture	The funding for maintaining the Urban Fringe sites which we graze comes from the EU farm subsidies, around £60,000 per annum	Only when national position is clear	It is considered likely that as this is an agricultural grant there will be some sort of replacement however it has been suggested that this may not be available to Local Authorities. If similar funding is still available to farmers we anticipate that it would be possible to enter into a different agreement with the grazier eg a grazing license so that the grazier [farmer] applies for the grant not the Local Authority.
Skills/Workforce	See scenario 1 – until a white paper and Immigration Bill is introduced the issues identified in scenario 1 will prevail.		
Community Cohesion	The impact on cohesion will not differ largely to that outlined in a ‘no deal’ scenario above	As above	As above
Migration	As above – the Home Office and other government departments are far advanced already in their plans for the ‘Settled Status’ scheme and we should continue to plan for this going ahead.	As above	As above
Procurement			
State Aid	The government has confirmed that during the	NA	Legal services will continue to follow

	transition period the European Commission will continue to be responsible for approving and monitoring aid. The UK will continue to comply with the current EU rules and regulations. It is likely that the same would apply under a provisional deal: the EU would insist on it and the UK Government is likely to acquiesce. The council will continue to comply as it does now.		developments and will advise where they have an impact on the council.
Food Safety and Standards	See above for no deal but important to note that it is important that all standards applied post EU exit are based on the best scientific evidence and risk assessment	No national issue	Food standards Agency has issued paper setting out its proposed approach to leaving the EU see 'The Food Standards Agency's Preparations for the UK's Exit from the European Union.'
Waste	The markets for recycled materials would be subject to uncertainty and income would be difficult to forecast as a large percentage is exported via the EU. Trade tariffs will increase costs and reduce the income from these materials	Yes	BHCC is in a relatively safe position because of the our PFI contract and the fact that our non recyclable waste is incinerated locally at Newhaven. A minimal amount of the city's waste is sent to landfill and none is exported. Our contractor, Veolia, is a big player in the market and can bulk sell recycled materials looking for the best deals internationally. Increase focus on reduce and reuse of materials and the circular economy to reduce recovered recyclable materials as well as waste
Consumer Rights	Minimal- majority of consumer protection EU directives have been fully implemented in various pieces of UK legislation and should survive intact at the point the UK leaves the EU	N/A	Nothing that the local authority can do discussions taking place at national level with Chartered Institute of Trading standards
Resilience/Emergency Planning	To assess threat and risk and assess the impact that an exit from the EU will have on		BHCC is part of the Sussex Resilience Forum (SRF). The SRF has been

	<p>BHCC's capability to plan for, respond to and recover from emergencies</p> <p>The European commission has published a paper "Preparing for the withdrawal of the United Kingdom from the European Union on 29 March 2019".</p> <p>It describes issues that have the potential to impact on Sussex:</p> <p>"Border issues: The European Union must apply its regulation and tariffs at borders with the United Kingdom as a third country, including checks and controls for customs, sanitary and phytosanitary standards and verification of compliance with EU norms. Transport between the United Kingdom and the European Union would be severely impacted...controls at borders could cause significant delays e.g. in road transport, and difficulties for ports."</p> <p>"Contingency measures would not necessarily involve legislative actions at EU level and could fall within the responsibility of the Member States, depending on the area of competence. In the area of customs, for instance, there would be no need in principle to amend the Union Customs Code as it already includes rules on third countries; contingency measures for implementation at national level might be necessary to cope with the risk of long lines of vehicles waiting for customs procedures to be fulfilled. Within the framework of the Union Customs Code, contingency measures should</p>		<p>working with colleagues both locally and nationally The SRF have produced a Draft Risk Assessment.</p> <p>A cross-Government Border Planning Group (BPG) ensures all aspect of the border are appropriately managed and co-ordinated for EU exit. It aims to ensure three key objectives are delivered:</p> <ul style="list-style-type: none"> • Maintaining security • Facilitating the flow of goods and people • Revenue Protection <p>The BPG is supported by the Border Delivery Group (BDG), which is responsible for delivering the work required to prepare the border operationally for when we leave the EU. Sussex LRF and other LRF in the South East area are working to ensure that arrangements are in place for their area and to support Kent partners during period.</p> <p>The SRF Risk Group has recently reviewed the Community Risk Register and the following risks are seen to be linked to the no deal BREXIT scenario.</p> <p>H14 – Food Supply contamination H60 – High consequence dangerous goods / transport accident H24 – Emerging Infectious Diseases H25 – Major outbreak of exotic notifiable</p>
--	---	--	---

	<p>be implemented and developed in a coordinated way.”</p>	<p>disease in animals (including birds) H37 – Influx of British Nationals In addition the following areas are seen as risks, but are not referenced in the Sussex Community Risk Register;</p> <ul style="list-style-type: none">• Loss of cover due to industrial action by workers providing a service critical to the preservation of life (such as emergency service workers)• Local accident on motorways and major trunk roads• Public Disorder• Notifiable plant disease / Notifiable exotic invertebrate species <p>BHCC are currently reviewing the local risk register to ensure that local county and national risks are mapped and fully assessed.</p> <p>Within SRF partners own risk management processes there is the risk to the supply chain where goods and products are imported from the EU main land. Partners should ensure that as part of the Business Continuity arrangements that contracts and supply chain issues are addressed through their Business Continuity Management Systems.</p> <p>Next Steps</p> <ul style="list-style-type: none">• The risk of, assumptions for and
--	--	--

			<p>consequences from a Day 1 'No Deal' scenario provide SRF with clear priority areas for development. This work is being coordinated through the SRF. Including:</p> <p>Command and Control</p> <ul style="list-style-type: none">○ From discussions, there is an expectation that Strategic Coordination Groups will be established in the month before 29 March.○ Tactical Co-ordination may also be required during that phase.○ There is likely COBR interest in impacts during the first week of disruption.○ Command Control rotas will be required to cover the period from Friday 01 March until Friday 10 May (as a minimum and based on current information).○ Local Authorities should to consider Recovery coordination and ensure that the resources are in place to support this. <p>Human Aspects in an Emergency</p> <ul style="list-style-type: none">○ The SRF Multi-Agency Response to Prolonged Trapped Traffic on County Roads will be reviewed and updated to ensure that it is fit for purpose within this scenario.○ The Vulnerable People Plans will
--	--	--	--

			<p>require validation in this context.</p> <p>Business Continuity Plans</p> <ul style="list-style-type: none"> ○ Partners will need to ensure that they have resources to commit to the planning phase, yet still continue to deliver other critical services or plan for other risks ○ Partners will need to ensure that they are able to support a prolonged response and have the capacity to respond to other incidents ○ Organisations supply chain arrangements will need to be assessed for potential impacts of any disruption and the validity of existing contractual arrangements ○ Partners will need to ensure that they have the capability to support the response and recovery phase and still deliver its most critical services. ○ As this work develops and the impacts and risks are fully understood BHCC will work with colleagues to review BC plans and exercising of BREXIT scenarios will be undertaken.
Air Quality	<p>Lack of confidence for haulers to invest in the much cleaner euro-VI emission standard. Potential delay in the expansion of the electric vehicle industry. The flow of imported / exported parts could hold up manufacturing. Possibility that supply of electric cars and taxis (right hand drive) will not meet demand: waiting</p>	Yes	<p>Promotion of active travel</p> <p>Growth in the bike scheme including e-bikes</p> <p>Promotion of public transport especially for short urban journeys</p>

	<p>lists of more than eighteen months.</p> <p>Consumer confidence is low so higher percentage of motorists and trade run older more polluting vehicles. The average age of private cars surpasses nine years old (currently eight used to be six). Air quality improvement slows. Developer predictions of improved air quality not realised because this assumes popular usage of much cleaner trucks, vans and cars.</p> <p>Delay in deciding which EU directives (for environmental protection) are kept in English legislation and what are the repercussions for non-compliance.</p> <p>Risk of delay on major construction projects in Development Areas as seen with Circus Street. Potential cumulative impacts on local air quality where a number of major construction projects happen simultaneously.</p> <p>Brexit could affect gas supply and price. An increase in diesel generators, coal and wood burning likely to be adverse for local air quality. Need to agree policy on non-fossil fuel options for example does it include electricity generated by nuclear, biomass and vegetable oil burning?</p>		<p>Awareness campaigns about no emission travel and not engine idling whilst waiting</p> <p>Facilitate electromotive charging points at new and existing car parks and for on street parking</p> <p>Require London like emission standards for construction traffic and non-mobile machinery (diesels).</p> <p>For major developments review City Policy's dash for gas. For example Combined Heat and Power plant emissions can contribute to poor air quality. Councillor approved Oxford Charter requests no fossil fuels.</p>
Universities			
Language Schools	<p>Visas EU nationals would continue to be able to attend language schools without requiring a visa for 2 years while transitioning to a student</p>	<p>Work with Language schools to develop and</p>	

	visa regime	promote products that would encourage EU nationals to attend local language schools	
--	-------------	---	--

Scenario 3: EEA Style Agreement			
Issue affecting the City/City Council	Potential Impact on the City/City Council	Can a LA do anything to mitigate the likely position?	What are BHCC currently doing and what options are there to do more? (including resource implications)
Trade	Export – Services: (e.g. Financial, digital), falling value of sterling will impact on costs, restrictions to on-line content and copyright,	Yes	BHCC can work with DIT and C2C to provide information resources and signposting to advice services for business once details are published
	Import – Goods: increased costs for materials, products and food imports due to increased tariffs, bureaucracy and the falling value of sterling	Possible	Support from BHCC would depend on the details of the deal
	Business Regulations	Yes	BHCC could support with signposting to advice services but details will depend on the final deal
Tourism	Employment Under an EEA style agreement, freedom of movement would be retained, which would reduce staff shortages	No action required	
	Border control Current arrangements would remain, allowing the efficient processing of EU nationals	No action required	
	Access Current Aviation Agreements would remain valid.	No action required	
	Supply Chains	No action	

	Current supply chains would remain viable, enabling businesses to efficiently source products	required	
Funding	<p>EU Funding:</p> <p>Through the ‘Treasury guarantee’ UK partners will be able to participate in EU projects until 2023, for successful bids submitted before the end of 2020. There may be an increased likelihood that the UK participates in EU programmes post 2020 as a ‘third country’.</p> <p>UK Shared Prosperity Funding:</p> <p>The Government plans to create the UKSPF to “reduce inequalities between communities” and “help deliver sustainable, inclusive growth”, to replace and build upon the current £8.4bn European Structural and Investment Funds (ESIF). Formal Government consultation on UKSPF has been delayed from autumn 2017, and is anticipated by the end of 2018. It is possible that there could be a gap between ESIF finishing and UKSPF starting.</p>	No	
Skills/Workforce	<ul style="list-style-type: none"> • See scenario 1 – until a white paper and Immigration Bill is introduced the issues identified in scenario 1 will prevail. • Potential mobility concessions to EU residents may limit some of the issues identified. 		
Community Cohesion	The impact on cohesion will not differ largely from the ‘no deal’ scenario above, as some sections of the population are unhappy with this scenario and turn to extreme right-wing narratives and xenophobic hate crime.	As above	As above

Migration	As above	As above	As above
Procurement			
State Aid	In order to secure the EU's agreement to an EEA style agreement it is likely that the UK will be required to continue to comply with a system of State aid controls similar to the current regime. The impact on the council will therefore be minimal. It seems likely that the Competition and Markets Authority will be the regulator.	N/A	Legal services will continue to follow developments and will advise where they have an impact on the council.
Food Safety and Standards	Minimal change- will need to ensure that food legislation that is mostly EU based is transposed into UK law	No national issue	Food standards Agency has issued paper setting out its proposed approach to leaving the EU see 'The Food Standards Agency's Preparations for the UK's Exit from the European Union.'
Waste	Minimal issues – there is likely to be greater certainty in the markets for recycled materials and business will continue as usual. Income for recycled materials is like to remain at current levels but if sterling increases in value against the Euro income may reduce in some areas.	Yes	BHCC remains in a relatively safe position because of the our PFI contract and the fact that our non recyclable waste is incinerated locally at Newhaven. A minimal amount of the city's waste is sent to landfill and none is exported. Our contractor, Veoila, is a big player in the market and can bulk sell recycled materials looking for the best deals. Increase focus on reduce and reuse of materials and the circular economy to reduce recovered recyclable materials as well as waste
Consumer Rights	Minimal- majority of consumer protection EU directives have been fully implemented in various pieces of UK legislation and should survive intact at the point the UK leaves the EU	N/A	Nothing that the local authority can do discussions taking place at national level with Chartered Institute of Trading standards
Resilience/Emergency Planning	To assess threat and risk and assess the impact that an exit from the EU will have on		BHCC is part of the Sussex Resilience Forum (SRF). The SRF has been working

	<p>BHCC’s capability to plan for, respond to and recover from emergencies</p> <p>The European commission has published a paper “Preparing for the withdrawal of the United Kingdom from the European Union on 29 March 2019”.</p> <p>It describes issues that have the potential to impact on Sussex:</p> <p>“Border issues: The European Union must apply its regulation and tariffs at borders with the United Kingdom as a third country, including checks and controls for customs, sanitary and phytosanitary standards and verification of compliance with EU norms. Transport between the United Kingdom and the European Union would be severely impacted...controls at borders could cause significant delays e.g. in road transport, and difficulties for ports.”</p> <p>“Contingency measures would not necessarily involve legislative actions at EU level and could fall within the responsibility of the Member States, depending on the area of competence. In the area of customs, for instance, there would be no need in principle to amend the Union Customs Code as it already includes rules on third countries; contingency measures for implementation at national level might be necessary to cope with the risk of long lines of vehicles waiting for customs procedures to be fulfilled. Within the framework of the Union</p>	<p>with colleagues both locally and nationally The SRF have produced a Draft Risk Assessment.</p> <p>A cross-Government Border Planning Group (BPG) ensures all aspect of the border are appropriately managed and co-ordinated for EU exit. It aims to ensure three key objectives are delivered:</p> <ul style="list-style-type: none"> • Maintaining security • Facilitating the flow of goods and people • Revenue Protection <p>The BPG is supported by the Border Delivery Group (BDG), which is responsible for delivering the work required to prepare the border operationally for when we leave the EU.</p> <p>Sussex LRF and other LRF in the South East area are working to ensure that arrangements are in place for their area and to support Kent partners during period.</p> <p>The SRF Risk Group has recently reviewed the Community Risk Register and the following risks are seen to be linked to the no deal BREXIT scenario.</p> <p>H14 – Food Supply contamination H60 – High consequence dangerous goods / transport accident H24 – Emerging Infectious Diseases H25 – Major outbreak of exotic notifiable disease in animals (including birds)</p>
--	---	---

	<p>Customs Code, contingency measures should be implemented and developed in a coordinated way.”</p>	<p>H37 – Influx of British Nationals In addition the following areas are seen as risks, but are not referenced in the Sussex Community Risk Register;</p> <ul style="list-style-type: none"> • Loss of cover due to industrial action by workers providing a service critical to the preservation of life (such as emergency service workers) • Local accident on motorways and major trunk roads • Public Disorder • Notifiable plant disease / Notifiable exotic invertebrate species <p>Within SRF partners own risk management processes there is the risk to the supply chain where goods and products are imported from the EU main land. Partners should ensure that as part of the Business Continuity arrangements that contracts and supply chain issues are addressed through their Business Continuity Management Systems.</p> <p>Next Steps</p> <ul style="list-style-type: none"> • The risk of, assumptions for and consequences from a Day 1 ‘No Deal’ scenario provide SRF with clear priority areas for development. This work is being coordinated through the SRF. Including: <p>Command and Control</p>
--	--	--

		<ul style="list-style-type: none">○ From discussions, there is an expectation that Strategic Coordination Groups will be established in the month before 29 March.○ Tactical Co-ordination may also be required during that phase.○ There is likely COBR interest in impacts during the first week of disruption.○ Command Control rotas will be required to cover the period from Friday 01 March until Friday 10 May (as a minimum and based on current information).○ Local Authorities should to consider Recovery coordination and ensure that the resources are in place to support this. <p>Human Aspects in an Emergency</p> <ul style="list-style-type: none">○ The SRF Multi-Agency Response to Prolonged Trapped Traffic on County Roads will be reviewed and updated to ensure that it is fit for purpose within this scenario.○ The Vulnerable People Plans will require validation in this context. <p>Business Continuity Plans</p> <ul style="list-style-type: none">○ Partners will need to ensure that they have resources to commit to the planning phase, yet still continue to deliver other critical services or plan for other risks○ Partners will need to ensure that they
--	--	---

			<p>are able to support a prolonged response and have the capacity to respond to other incidents</p> <ul style="list-style-type: none"> ○ Organisations supply chain arrangements will need to be assessed for potential impacts of any disruption and the validity of existing contractual arrangements ○ Partners will need to ensure that they have the capability to support the response and recovery phase and still deliver its most critical services.
Air Quality	<p>Clear decision on an agreed level of environmental protection.</p> <p>The City Council's roles for air quality are clearly set out with ring fenced funds to achieve the standards set in English legislation.</p> <p>A higher percentage of Motorist's, trade and haulers have the confidence to invest in no emission vehicles.</p> <p>Boom in the electric vehicle industry EU and UK brings prices down</p> <p>Growth in non-combustion renewables and energy storage.</p> <p>University has renewed international links and the confidence to continue expansion. 2020 no emission travel plans are required for the Lewes Road corridor.</p> <p>Brighton becomes a job magnet, increased demand for labour and housing.</p>	Yes	<p>No emission travel prioritised</p> <p>Strong disincentives for polluting vehicles in the Air Quality Management Area. Alternatives are available.</p> <p>Council has agreed energy policy without emissions that is beneficial for local air quality. Avoidance of gas, oil, coal, diesel and biomass combustion in or upwind of any Air Quality Management Area. Alternatives are available.</p> <p>Progressive public transport, parking policy and active travel seeks to mitigate the risk of congestion with a buoyant economy.</p> <p>Cable cars fly over queues at traffic lights and along the cliff top.</p> <p>Park and ride is electric.</p> <p>Deliveries to central areas are by bike, rickshaw, electric van or drone.</p>

	With UK certainty a modest recovery in the economy presents a real risk of increased traffic congestion.		Some streets are pedestrianised!
Universities			
Language Schools	Visas EU nationals would not require visas and UK Language schools would remain competitive in the European market	No action required	

