



To: All Members of the Executive Board

**Resources & Housing Directorate**

Governance & Scrutiny Support

1st Floor West

Civic Hall

Leeds LS1 1UR

Contact: Gerard Watson

Tel: 0113 37 88664

Email: Gerard.watson@leeds.gov.uk

15th October 2019

Dear Councillor

**EXECUTIVE BOARD – WEDNESDAY, 16<sup>TH</sup> OCTOBER 2019: LATE ITEM OF BUSINESS:  
‘UPDATE ON LEEDS CITY COUNCIL’S PREPARATIONS FOR THE UK’S EXIT FROM  
THE EUROPEAN UNION’**

With the agreement of the Chair, please find enclosed a report for consideration as a late item of business at the meeting of Executive Board on 16<sup>th</sup> October 2019. The special circumstances for the late submission are detailed within the submitted report.

I would be most grateful if you could please incorporate this report into your agenda packs so that it can be considered as agenda item 8 of the Board meeting on 16<sup>th</sup> October 2019.

Yours sincerely

Gerard Watson  
Senior Governance Officer



**Report to Executive Board**

**Date: 16 October 2019**

**Subject: Update on Leeds City Council's preparations for the UK's exit from the European Union**

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Has consultation been carried out?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Summary**

**1. Main issues**

- The council's preparations for the UK's exit from the European Union are ongoing and this report provides a further update to those which Executive Board received in March 2019 and September 2019. The government is committed to the UK leaving the EU on 31<sup>st</sup> October 2019 at the time of the publication of this report, although it continues to be a complex and dynamic policy context.
- The council is as prepared as possible given the information and resources available, but the continued uncertainty so close to the date for EU exit remains a challenge in terms of clarity on a range of issues and therefore limits fully effective planning. Arrangements are in place to respond to issues as they arise.
- The council's continued preparations centre on the strategic response plan which has been developed to provide a framework to deal with the uncertainty in the build up to and the response phase after the UK's exit. The response plan can be scaled up or down to deal with a variety of scenarios, such as leave with a deal, no deal, or deferral of the leave date. A Brexit Working Group from across the council drives development and delivery of the plan, which also supports the Brexit Lead Officer to fulfil the role requested by government.
- The response plan is structured around five key themes, considering key issues for the city and the council. The key themes are: infrastructure and supplies; business and impact; citizens and communities; media and communications; and

organisational impact. The response plan is consistent with planning at a West Yorkshire level through the Local Resilience Forum (LRF) and national plans led by government. An updated strategic response plan is attached at Appendix A, with some key updates also provided in the main body of the report.

- Following the formation of a new UK government in July 2019, national planning has increased to prepare the UK to leave the European Union on 31<sup>st</sup> October, including planning for a 'no deal' scenario.
- The response work will continue locally in what is a fast moving and developing policy landscape, ensuring local plans are updated where necessary and that the council and the city remain as resilient as possible and seize any opportunities created.

## **2. Best Council Plan Implications** (click [here](#) for the latest version of the Best Council Plan)

- The response plan is set within the context of the council and the city's ambitions for a strong economy and compassionate approach.
- Governance framework and established arrangements for risk management and emergency planning are being used for this work.

## **3. Resource Implications**

- Leeds City Council was awarded a further sum of £105k from the funding allocation announced by MHCLG in August 2019, bringing the total monies granted to Leeds to £315k. Funding has so far been allocated to support specific Brexit related work and to cover some staffing resource to co-ordinate Brexit preparedness activity.
- The government announced a one year spending review on 4<sup>th</sup> September 2019. This detail will not be provided until the provisional local government finance settlement, expected in December 2019. How the UK's exit from the EU may impact on this remains unclear.

## **Recommendations**

Executive Board is requested to:

- 1) Note the work ongoing to prepare the council and the city for the UK's exit from the European Union, the latest assessment of preparedness and ongoing concerns given the lack of clarity about the nature of EU exit.
- 2) Note the contents of the strategic response plan attached at Appendix A and the updates provided in the report, but recognise that assumptions and planning will continue to develop as new information becomes available.
- 3) Request further updates to be provided to Executive Board, Scrutiny Board and members as appropriate.

## **Purpose of this report**

- 1.1 This report provides Executive Board with an update on the preparations that Leeds City Council has been making for the UK's exit from the European Union, following previous reports earlier this year in March and September 2019.

- 1.2 Brexit continues to be a highly complex and dynamic policy agenda with a number of potential short, medium and long term implications for citizens, communities and businesses in Leeds. The strategic response plan acts as a framework to deal with the uncertainty and to respond to the national context so that Leeds can be a compassionate city with a strong inclusive economy.

## **2. Background information**

- 2.1 Since July 2016, shortly after the EU referendum result, the council has been working to prepare for Brexit in line with a five-point-plan approved by Executive Board.
- Maintaining momentum on major development and infrastructure schemes, and economic growth projects;
  - Supporting business and key institutions;
  - Creating a more tolerant and united city;
  - Securing devolution; and
  - Providing confident, outward-looking leadership and image of Leeds as an international city.
- 2.2 Executive Board approved recommendations in December 2018 (available [here](#)) which gave a detailed overview of a range of work that has been undertaken in support of each of these five areas.
- 2.3 Building on the five-point-plan, and as the date for EU exit became closer, Executive Board approved the city's strategic response plan for Brexit in March 2019 (available [here](#)). This sets out a series of practical actions to be taken both in advance of and following EU exit against the backdrop of the ambition to have a strong economy and a compassionate city. This framework enables a response to a range of EU exit scenarios including "no deal", which has been informed by the national planning assumptions and guidance where available.
- 2.4 Following the six month extension of the EU exit date to October 31<sup>st</sup> 2019, the council maintained preparedness activity at a local level during this period. Since July, the council has been responding to the increased planning at a national level.
- 2.5 As the regional lead for Yorkshire and the Humber, the Chief Executive has continued engagement and communications with the Ministry of Housing, Communities and Local Government (MHCLG) and Whitehall departments as part of the established network of nine local authority chief executives to act as regional leads on their behalf across England. This is principally a communication role with the Chief Executive providing regular updates for the 22 councils across the Yorkshire and Humber region. Weekly reports of any Brexit related concerns and issues are collated from all Y&H councils and fed back to MHCLG under the role of regional lead, with issues and queries also being raised to gain clarity on a range of policy areas related to EU exit.
- 2.6 The coordination of emergency planning on Brexit has been led by Local Resilience Forums (LRFs), with LRFs being asked to submit plans for preparedness in September covering a range of areas.
- 2.7 The Leader of the council also sits on the LGA's EU exit Local Government Delivery Board which has been liaising with Ministers on Brexit preparedness.
- 2.8 At a local level, and described previously, work has continued to be overseen by a working group of senior officers from across the council, chaired by the Director of Resources and Housing, working in conjunction with elected members, directorate-

specific work (including refreshing business continuity plans), the Local Resilience Forum (LRF), Local Enterprise Partnership (LEP), local voluntary community and faith sector organisations (VCFS) and a number of other sector-specific forums in the city e.g. Health and Social Care. This work supports the Brexit Lead Officer fulfil the role as requested by government.

- 2.9 The elected member working group, chaired by the Leader of the Council, met in September and continues to play a key role in highlighting important issues which have fed into the preparatory response work. EU exit has also been discussed as part of regular agenda items at a range of meetings including the Strategy and Resources Scrutiny Board on 9 September 2019.
- 2.10 Elected members and officers from Leeds have also continued to engage on Brexit-related matters through a number of regional and national forums including working with the Local Government Association (LGA), Core Cities group, various Whitehall departments and senior civil servants.
- 2.11 Since the formation of a new UK government in July 2019, the pace of national planning for the UK's exit from the EU on 31<sup>st</sup> October has increased. The government's position states a preference for leaving the EU with a deal by securing relevant changes to the withdrawal agreement whilst also stepping up preparations for a 'no deal scenario'.
- 2.12 The government published its "Get Ready for Brexit" campaign with information for individuals and businesses designed to get the public and businesses ready for Brexit. In addition, through the gov.uk website, the government have published a substantial number of "no deal" guidance documents covering a wide range of topics.
- 2.13 On 2<sup>nd</sup> September, the EU Withdrawal Act (No.2), commonly known as the Benn Act, was tabled in the House of Commons and received Royal Assent on 9<sup>th</sup> September 2019. This Act requires the Prime Minister to request an extension to Article 50 until 31<sup>st</sup> January 2020 unless a deal between the EU and the UK can be agreed before 19<sup>th</sup> October 2019. On 4<sup>th</sup> October 2019 the UK Government confirmed in submissions to a Scottish Court that it will abide by the Benn Act; notwithstanding this the government's current position is that the UK will leave the EU on 31<sup>st</sup> October.
- 2.14 The EU Council summit will be held on the 17<sup>th</sup> and 18<sup>th</sup> of October. This will be the final EU summit before the UK's exit from the EU on 31<sup>st</sup> October.
- 2.15 On 11<sup>th</sup> September the government published an updated version of "Operation Yellowhammer" which is the worst case planning assumptions in the event of a "no deal" Brexit. The Local Resilience Forum and the council have taken note of the relevant planning assumptions in our updated response plan.
- 2.16 On 8<sup>th</sup> October, the government published a No Deal Readiness Report setting out what has been done in preparation for EU exit, with a specific section on Public Services and Local Authorities which describes the range of guidance and funding provided to help prepare for a no deal scenario. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/837632/No\\_deal\\_readiness\\_paper.PDF](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/837632/No_deal_readiness_paper.PDF)
- 2.17 At the time of this report's publication, there is still significant uncertainty over the UK's relationship with the EU in the near future, with a range of scenarios being possible including leaving with a deal, no deal, or deferral of the leave date. In any of these scenarios, a general election is also a possibility. All these scenarios are being explored extensively in the media and are creating uncertainty that makes it very difficult for citizens, organisations and businesses to plan for the future. The impact

of the uncertainty is exacerbated by the very limited time to plan given the imminent deadline.

### **3. Main issues**

- 3.1 The strategic response plan was approved at Executive Board in March 2019. It has been reviewed and updated to take account of the current context, national guidance and planning assumptions. Whilst there has been a lot of work nationally and locally, inevitably some of the final plans and guidance are highly dependent upon the nature of EU exit and how EU countries, businesses and citizens behave.
- 3.2 The continued uncertainty, so close to the deadline for EU exit means that there is very limited time to respond to updated guidance as it becomes available. The following paragraphs are correct at the time of writing, but some assumptions are changing regularly as new information becomes available.
- 3.3 An updated response plan is attached at Appendix A of this report, with themes organised around the five broad areas agreed in March 2019.
  - Infrastructure and supplies
  - Business and economic impact
  - Citizens and communities
  - Media and communications
  - Organisational impact

#### **Infrastructure and supplies**

- 3.4 Provided the national planning assumptions and extensive work with suppliers at a national level, it is not expected that there will be significant shortages to fuel, food and medicines due to Brexit. Recent media coverage has suggested there maybe issues with some medicine supplies. This is a constantly developing picture, which does depend on the nature of EU exit and what happens at ports and borders. Local liaison is in place to deal with issues as they arise, drawing on national guidance and plans as well as local plans.
- 3.5 Whilst there are reassurances through the national planning assumptions about supplies of fuel and food, there remain continued concerns about the impact of potential price increases on those with limited income, especially if there are increases in fuel, food and energy. This is covered in the Citizen and Community section, although it is impossible to know what the precise impact will be given the continued uncertainty across a range of areas.

#### **Business and economic impact**

- 3.6 There has been, and continues to be, considerable engagement with businesses both through intermediaries and direct contact where we are encouraging readiness for EU exit. The BEIS/DIT roadshow was held on 4<sup>th</sup> October 2019 in Leeds, with good attendance but limited impact because the nature of the EU exit remains unclear.
- 3.7 Significant concerns continue about the ongoing uncertainty over Brexit and perceived lack of clarity of government messaging is leading to disengagement amongst some businesses over the need for readiness preparations and a reduction in confidence and investment.
- 3.8 A detailed update of the organisational preparation that WYCA and the LEP have been undertaking to support the city region for Brexit can be found in the papers that were presented on 10<sup>th</sup> October 2019 [here](#). This describes the potential for schemes

and products being developed and implemented to deal with immediate impacts and a downturn in the economy if that is what happens. Leeds City Council is represented on the working group with WYCA.

- 3.9 The West and North Yorkshire Chamber of Commerce Q3 2019 Quarterly Economic Report has been published; the key headlines of the report reinforce the evidence that the lack of clarity over Brexit is leading to a fall in consumer and business confidence, with the manufacturing sector in particular affected.

### **Citizen and communities**

- 3.10 As stated in section 3.5, there are concerns about the impact of Brexit on the most vulnerable and those in poverty. Further work is continuing in assessing the possible impact on key supply chains and required actions to address concerns about food banks and food poverty given national planning assumptions.
- 3.11 The council continues to engage with partners to promote the settlement scheme. Recent and future activity includes briefings to head teachers in both primary and secondary schools and children's centre staff. The council has met the relevant requirements and is now included on to the national ID Document Scanning service location list on the gov.uk website (<https://www.gov.uk/id-scan-eu-settlement-scheme>).
- 3.12 In promoting take up of the scheme and consistent with the compassionate city approach, the council has allocated £20,000 to support outreach activity, recognising that some communities in Leeds will need more activity to complement the local support offer in the community hubs. It has been allocated in small grants to six local VCFS organisations to deliver the outreach programme across the city and various client groups.
- 3.13 Leeds City Council continues to complete government returns requested. In the last month there have been surveys for education for Department for Education (DfE), Adult Social Care through Association of Directors of Adult Social Care (ADASS) and one about data.
- 3.14 The DfE surveyed local authorities, schools and multi-academy trusts about their Brexit preparations in respect of school meal provisions and medical supplies supply chain readiness. The DfE were particularly interested in the number of schools that make their own arrangements and those that are made by the local authority on behalf of schools within their own area. We provide schools meals to 75% of primary schools but only 7% of secondary schools. Schools make their own arrangements for medical supplies. Information was also requested on the extent to which food supply chain arrangements are subject to contracts and the names of the top three contractors. We have confirmed that, for those schools for whom we provide the meals service, contracts are indeed in place and have named the top three suppliers. We circulated the survey to all schools so that they may also respond.
- 3.15 The council responded to a survey from ADASS on our Brexit preparedness, most of which is in line with the national situation. We identified some of our higher risk areas such as the potential impact on supply chains due to border delays, the stability and robustness of the provider market and the lack of information as to how many staff have signed up to the EU Settlement Scheme (EUSS). However it was noted that in Leeds we have a relatively small proportion of the wider social care workforce that are EU citizens, and we have good communication and partnership arrangements in place.
- 3.16 The local Health and Social Care EU Exit Group continues to be very proactive in exploring Brexit related risks as highlighted nationally, regionally and locally such as

access to medicines, non-clinical supplies, fuel, food (especially for those with specific dietary requirements), staffing and communications. The group is a partnership covering the entire system so that Brexit planning is considered alongside existing initiatives and pressures in the system, such as dealing with winter pressures.

- 3.17 We are not detecting any specific community tension issues arising from Brexit at present, however with the UK looking to exit the EU and Brexit arrangements progressing, the council and partners are keen to manage any potential community tensions. To facilitate this a partnership monitoring process is being established jointly with WY Police to understand and respond to community tensions through improved intelligence sharing capabilities. There are an increased incidence of marches, protests and counter protests being facilitated by key partners in the city, which again is in line with what is being seen nationally and in other areas.

### **Media and communications**

- 3.18 Leeds City Council have updated the communications strategy and internet landing page appropriately to reflect the “Get Ready for Brexit” campaign and is continuing to promote the EU Settlement Scheme. All councils continue to receive Freedom of Information requests about a range of Brexit issues. The LRF has a communications subgroup to ensure that there is liaison across West Yorkshire. Communications remains a challenge because of the lack of clarity about messages given the continued uncertainty about the nature of EU exit.

### **Organisational impact**

- 3.19 Within the council, business continuity continues to be the focus of our preparations. The strategic response plan is continually being updated with input from the Brexit Officer working group which is meeting on a regular basis and which enables the Brexit Lead Officer to fulfil the requirements of the role requested by government.
- 3.20 Full Council and Resources and Housing Scrutiny Board have received updates on our response to Brexit since the previous executive board report.
- 3.21 The council responded to the government’s survey on data held in the EEA. The council has identified where personal data is held, including that which is held by third party providers. Where the government have not received assurances about continuity of service we have engaged with those providers and the services which use those systems to ensure plans are in place regarding personal data transfers in the event of a no deal Brexit.
- 3.22 In the event of Brexit, the revised public procurement regulations largely reflect the existing public procurement regime, with broadly similar rules and requirements as now. However, Procurement and Commercial Services will continue to monitor the impact that the decision to leave the EU will have on procurement practice and legislation. It should be noted that the new regulations will make little difference to requirements on non-discrimination, transparency, or “localism” issues.
- 3.23 The council has previously sought to engage with existing contractors to assess the potential impact of Brexit, however engagement from contractors has been limited and those who have responded generally state that do not anticipate any adverse impact on the ability to deliver their contractual commitments. However, given the ongoing uncertainty as to what Brexit will actually look like, and the limited engagement from contractors to date, there remains a risk that some contractors may struggle to deliver their commitments post-Brexit, or may seek to re-negotiate costs or terms.

- 3.24 The Food Standards Agency (FSA) and the Animal & Plant Health Agency regularly release guidance on Brexit which is currently being reviewed to determine any further requirement for changes to Environmental Health processes. A number of Environmental Health Officers are now authorised and procedures are in place to issue export certificates for food products on request by Leeds food businesses. Environmental Health are liaising with the FSA and have contacted known potential exporters of food products of animal origin to the EU to discuss their future export certification requirements and provide guidance as these types of businesses are seen as “high risk”.
- 3.25 Taking into account the dynamic nature of Brexit and the impact on national politics, the council has taken note of this when planning for a potential election in the near future to ensure we are able to fulfil our statutory requirements. Given the different time of year for a possible General Election in the current context to the usual spring election period, officers have done some scenario planning and raised a series of logistical and administrative issues with the Cabinet Office. Officers are working with the Electoral Commission Advisory Board and the Association of Electoral Administrators to ensure that we are as prepared as we can be.
- 3.26 The updated strategic response plan demonstrates that all relevant work is ongoing (pending further guidance) or completed as far as it can be given the uncertain context. The Brexit Officer Working Group will keep this plan under regular review to monitor progress and check additions and actions especially in light of changes to national and local planning assumptions. Information for residents and businesses is available on a Brexit landing page on the council’s website, which is primarily signposting to relevant national government sources of guidance and information.
- 3.27 The government have published a “No-Deal Readiness Report” which outlines the government’s work, and what is expected of individuals, businesses and other organisations to prepare for Brexit. Leeds City Council continues to engage with government and is as well prepared as we are able to be given the information and resources available, but this is hampered given the continued lack of certainty right up towards EU exit date.
- 3.28 At a West Yorkshire level, the LRF continues to refine and refresh plans in light of national planning assumptions and local intelligence. As a category 1 responder through the Civil Contingencies Act, Leeds City Council is actively involved in this forum and sub group arrangement that develop and exercise a range of plans to deal with a variation of scenarios. The LRFs have been conducting relevant table top exercises to prepare for any consequences of Brexit, building on local and national planning assumptions.
- 3.29 The council is also maintaining effective information sharing with local NHS partners and the West Yorkshire Local Health Resilience Partnership (LHRP). The Director of Public Health is the Co-chair of the West Yorkshire LHRP.
- 3.30 Leeds City Council is engaging with the regional arrangements described in paragraph 2.5, using information from the Brexit Working Group to determine what issues need raising as part of the weekly return and sharing the weekly updates with relevant officers. Staff from the Chief Executive’s Office are supporting this regional role drawing on the funding that has been made available from government.

## **4 Corporate considerations**

### **4.1 Consultation and engagement**

- 4.1.1 Extensive informal engagement has taken place since the referendum result to understand the emerging impact of Brexit in Leeds and the preparations that businesses, public and third sector partners, and communities are making. This activity has accelerated in recent weeks and months, including between services within the council.
- 4.1.2 Much of this engagement has been carried out by teams within the council as part of their normal day-to-day business, but has also been more explicitly led by the officer working group and resilience partners. Engagement activity continues with the strategic response plan being shared amongst council and partner colleagues for further updates. These relationships remain vitally important to enable delivery of the response plan.

## **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 The Best Council Plan sets out how Leeds celebrates its rich diversity and aims to be a welcoming city for all. The council has recognised in this and previous Executive Board reports that Brexit has the potential to impact upon tolerance and unity. Fostering positive relations between diverse ranges of people in the city is a key part of the council's role, both within and amongst different communities. The actions noted within this report reaffirm the council's commitment to this aim and detail how it will work with partners to achieve this outcome.
- 4.2.2 The strategic response plan recognises the complex nature of issues related to Brexit including the changes to citizen's rights, possibility of an increase in community tensions and the importance of a joined up response from a wide range of institutions in the city. The actions that have been set out clearly contribute towards making sure people in Leeds are and feel safe, in addition to promoting community respect and resilience in line with the priorities outlined in the Best Council Plan.
- 4.2.3 Moving forward an Equalities Impact Assessment will be undertaken, where this is required.

## **4.3 Council policies and the Best Council Plan**

- 4.3.1 The 'Best City' vision outlined in the Best Council Plan is for Leeds to be a compassionate, caring city that helps all its residents to benefit from the effects of the city's economic growth, thereby tackling poverty and inequalities. The actions outlined in the strategic response plan, particularly with regard to the economy and community, clearly align with and enable this ambition to seize opportunities.
- 4.3.2 The council's Brexit preparations also contribute to the 'Best Council' ambition to be an efficient, enterprising and healthy organisation. The approach detailed in this and previous reports demonstrates the proactive approach that has been taken to minimising the impact of uncertainty and providing a framework for response after the UK's exit from the EU. It recognises the convening powers of the council and the facilitation role that it is able to play in bringing partners together and providing effective place leadership that is recognised across all sectors locally and in the relationships held with government and other relevant parties.

### Climate Emergency

- 4.3.3 As a current member of the European Union, the UK participates in EU action to tackle climate change. On leaving the EU these will no longer apply, however the UK's domestic policy on climate change and contribution to global efforts including

the Paris Agreement will continue. The UK passed its Climate Change Act in 2008, which holds the commitment in law to reduce greenhouse gas emissions by at least 80% by 2050 (compared to 1990 levels), including legislation for 5 'carbon budgets' running up to it. This target in the Climate Change Act has recently been amended which commits the UK to a legally binding target of net zero emissions by 2050.

- 4.3.4 The European Union has itself set targets for reducing its greenhouse gas emissions progressively up to 2050. Going forward, the UK government's proposed Environment Bill seeks to play a key role providing new, post-Brexit environmental legislation. The government has also submitted a bid in partnership with Italy to host the COP26 summit over two weeks at the end of 2020. Glasgow has been chosen as the UK city to host the summit next year, if the UK's bid is successful.

#### **4.4 Resources, procurement and value for money**

- 4.4.1 Some of the actions contained within the strategic response plan would require financial or other resources, however some of these are either already part of normal business continuity planning or would be subject to further specific decision-making processes when required.
- 4.4.2 Leeds City Council was awarded £210,000 by MHCLG split across 2018/19 and 2019/20 to assist with the administration costs of Brexit preparedness work. This funding has so far been allocated to support the economic impact analysis work, the third sector EU Settlement Scheme outreach programme referred to in this report and to cover some staffing resource to co-ordinate Brexit preparedness activity.
- 4.4.3 Leeds City Council was awarded a further sum of £105k from the funding allocation announced by MHCLG in August 2019, bringing the total monies granted to Leeds to £315k. This is likely to be spent on staffing to coordinate and deal with additional work, with a sum held for contingency if required.
- 4.4.4 Leeds are also administering a sum of £150k grant funding on behalf of the Yorkshire and Humber region.
- 4.4.5 The government announced a one year spending review on 4<sup>th</sup> September 2019. This will provide indicative allocations for government departments such as MHCLG but will not provide a detailed breakdown at authority level. This detail will not be provided until the provisional local government finance settlement, expected in December 2019. How the UK's exit from the EU may impact on this remains unclear.

#### **4.5 Legal implications, access to information, and call-in**

- 4.5.1 There are no specific legal implications arising from the recommendations in this report.
- 4.5.2 With the Chair's agreement, the report is submitted to Executive Board as a late item of business. This is due to the fast-developing nature of this issue at a national level, which impacts upon how preparations are made locally. The report details the council's preparation for the UK's exit from the European Union including for a 'no deal' scenario, based on the most recent information available at the time of the publication of this report. As such, in order to provide Members with the most up to date information, it was not possible to include the report within the published agenda.

4.5.3 The government's planned exit date from the EU is 31<sup>st</sup> October 2019. Given that this meeting is the last Executive Board prior to this date, it is necessary the matter is considered as a late item.

## **4.6 Risk management**

4.6.1 The risks related to the UK's exit from the EU which are referenced throughout this report will continue to be monitored through the council's existing risk management processes as they have been to date.

4.6.2 Relevant risks on the council's corporate risk register include the UK exit from the EU as a possible source i.e. an event that may cause a risk to arise.

4.6.3 A corporate risk on the impact of Brexit on the council has been developed. The corporate risk draws information from a series of working groups developed for areas affected by Brexit. The council's Brexit Officer Working Group meets regularly and their remit includes discussing risks facing the council and its operations from Brexit.

## **5 Conclusions**

5.1 This report provides an update on the council's ongoing preparations for the UK's exit from the European Union. It builds upon three previous Executive Board reports, approved in July 2016, December 2018, March 2019 and September 2019.

5.2 This report provides an update on key developments as part of the ongoing review and implementation of the council's strategic response plan to help deal with the uncertainty caused by the current context. It particularly focuses on the work of the council in effectively planning for a range of scenarios for the UK's exit from the EU, including leaving with a deal, no deal or deferral of the leaving date, based on the current national planning assumptions and the resources and information available at this time. It is important to note that this is a constantly developing picture and therefore difficult to fully plan for until that is clearer.

5.3 The council is as well prepared as it can be given the resources and information available, but the continued uncertainty makes effective planning a challenge.

## **6 Recommendations**

6.1 Executive Board are requested to:

- Note the work ongoing to prepare the council and the city for the UK's exit from the European Union, the latest assessment of preparedness and ongoing concerns given the lack of clarity about the nature of EU exit.
- Note the contents of the strategic response plan attached at Appendix A and the updates provided in the report, but recognise that assumptions and planning will continue to develop as new information becomes available.
- Request further updates to be provided to Executive Board, Scrutiny Board and members as appropriate.

## **7 Background documents<sup>1</sup>**

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<sup>1</sup> The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

None

## **8 Appendices**

Appendix A – Strategic Response Plan

**LEEDS STRATEGIC RESPONSE PLAN – UNITED KINGDOM’S EXIT FROM THE EUROPEAN UNION**

This plan is a framework for a response to Brexit to enable the council and city to be as prepared as possible given the resources and information available. It is intended to be adaptable to a range of exit scenarios as required, including a ‘no deal’ scenario or a delay in the exit date. It builds upon the work that has been done since previous Executive Board papers in July 2016, December 2018, March 2019 and September 2019, and will continue to develop as further preparations are undertaken by directorates and city partners, and as further guidance and planning assumptions are issued by central government.

**Aims and objectives of this plan:**

- Demonstrate the values, ambition and vision of the council, city and beyond.
- Co-ordinate a joined-up and proactive response in the city, suitable for the short, medium and long term within the resources and information available.
- Effectively support individuals, families, businesses and communities affected.
- Keep it simple and avoid duplication.
- Stay flexible and learn from experience and best practice.

**CURRENT POSITION AS AT OCTOBER 2019**

- New government formed in July 2019.
- National planning for the UK’s Exit from the EU has increased significantly including planning for a ‘No Deal’ scenario under Operation Yellowhammer. Guidance and information primarily comes from .gov.uk website along with feedback from direct contact with central Government.
- Impact continues to be significant given ongoing uncertainty with possible economic and community impacts, understanding and responding to the Leeds Economic Brexit Impact Assessment, the potential for national elections to be called at short notice, and wider policy implications such as the EU Settlement Scheme, officially launched in March 2019, with the council continuing to provide support to those citizens affected.
- The Brexit Officer Working Group has continued to meet regularly, maintaining oversight of council Brexit preparations.
- The Member’s Brexit working groups has met again in September 2019 continuing to inform local Brexit preparations.
- Leeds City Council’s designated Brexit Lead Officer is Mariana Pexton (Chief Officer, Strategy and Improvement).
- Active engagement with the West Yorkshire Local Resilience Forum and city partners (as part of business as usual arrangements) has been maintained, as well as Leeds playing an active role in Yorkshire and Humber given the lead role the Chief Executive performs.
- Priorities for the council continue to be:
  - Maintaining momentum on the council and city’s preparations;
  - Dealing with uncertainty and its impacts;
  - Supporting EU citizens in Leeds to secure their rights;
  - Taking a proportionate approach over the coming weeks and months.

The table below details a range of actions being taken as part of the council's Brexit response, structured around five interrelated headings. Communications and reporting arrangements in support of these actions will continue to meet the local, regional and national demands. The plan is supported by an accompanying communications strategy and activity plan.

Each action has a named lead officer within Leeds City Council. These individuals will liaise with other internal colleagues, partner organisations and others as required in order to provide the assurance needed on progress.

Item no.	Action	Officer lead(s)	Status / Comments <i>As of 15<sup>th</sup> October 2019</i>
<b>1. Infrastructure and supplies impact</b>			
1.1	Work with relevant authorities, agencies and partners including emergency services, WYCA and Highways England to respond to disruption to key infrastructure such as the motorway network, ports, airports etc.	<b>Gary Bartlett</b>	<ul style="list-style-type: none"> <li>Plans are ready and relationships with key partners are in place.</li> <li>Leeds Bradford Airport is low risk due to low level of air freight. Preparations more likely to be focussed around possible increase in passenger flights.</li> <li>Discussions and preparations around supplies especially fuel and resources taking place.</li> <li>Humber LRF continue to work on a range of scenarios for dealing with potential issues at the ports, updating this when new information becomes available. Effective liaison is in place between the LRFs across Y&amp;H.</li> </ul>
1.2	Assess the potential impact on key digital infrastructure and required action.	<b>Andrew Byrom</b>	<ul style="list-style-type: none"> <li>Further information expected from government imminently. Service being proactive.</li> <li>International Data Transfers Working Group headed by Head of Information Management and Ethics to identify and remedy those situations where data transfers will be affected by No Deal Brexit.</li> </ul>
1.3	Assess the possible impact on key supply chains and required actions, in particular regarding: <ol style="list-style-type: none"> <li>Fuel supplies, including emergency provision</li> <li>Food shortages, for both consumers and contracted catering services</li> </ol>	<b>Terry Pycroft</b> <b>Mandy Snaith</b>  <b>Andrew Byrom</b> <b>Ian Cameron</b>	Fuel <ul style="list-style-type: none"> <li>Plans and procedures in place and relevant stakeholders aware of arrangements under the national and local fuel emergency plan.</li> <li>A table top exercise is planned to test the fuel plan. However based on planning assumptions we do not anticipate it will be activated.</li> </ul> Food <ul style="list-style-type: none"> <li>Planning and assessment continues about supply chain and alternative.</li> </ul>

	<p>c) Power supplies, including availability of IT equipment</p> <p>d) Supplies of medicines and medical equipment, including stockpiling arrangements</p>		<ul style="list-style-type: none"> <li>Ongoing concerns about food banks and food poverty given national planning assumptions which suggest limited/localised shortages but some price increases.</li> <li>School meals provision - service formulated a risk register to assess and mitigate any potential impact to schools meal provision as a result of disruption to the food supply chain and any potential for increased costs as a result of increased demand to supply. Additionally, reviewing ability to change menus should supplies be affected and also to consider any potential financial implications, although this remains difficult to forecast at the present time.</li> </ul> <p>Supply of medicines and medical supplies</p> <ul style="list-style-type: none"> <li>Continuing to be monitored through Health and Social Care EU Exit task group as national information is updated. And local issues considered.</li> </ul>
<b>2. Business and economic impact</b>			
2.1	Explore ways that financial support packages can be provided to business should they be required, including whether existing schemes can be 'flexed'.	<b>Fiona Bolam</b>	<ul style="list-style-type: none"> <li>Continuing to work with West Yorkshire Combined Authority (WYCA) and the Local Enterprise Partnership (LEP) colleagues about relevant schemes being flexible, how larger businesses can be supported, and voucher schemes for SMEs. Utilising local capacity to support businesses where possible.</li> </ul>
2.2	Ensure effective dissemination of relevant information to businesses, e.g. specific sectoral/issues-based guidance issued by central government.	<b>Fiona Bolam</b>	<ul style="list-style-type: none"> <li>Information and signposting is on WYCA website and to the gov.uk website.</li> </ul>
2.3	Prompting and supporting businesses to undertake their own Brexit preparations, including signposting to support.	<b>Fiona Bolam</b>	<ul style="list-style-type: none"> <li>Information and signposting is on WYCA website and to the gov.uk website.</li> </ul>
2.4	Utilise key existing relationships with business and representative bodies to ensure effective two-way communications and sharing of relevant data and	<b>Eve Roodhouse</b>	<ul style="list-style-type: none"> <li>Business roundtable events in March 2019 and September 2019.</li> <li>Further business engagement continues with a further events scheduled in October 2019 for businesses and intermediary</li> </ul>

	information. In particular consider intelligence required to inform decisions at regional and national level.		<p>organisations, and the provision for more frequent contact where needed.</p> <ul style="list-style-type: none"> <li>• Further consultation has been undertaken through the economic impact study.</li> </ul>
2.5	Monitor sectoral economic impacts using business intelligence and potentially through commissioning external analysis.	<b>Fiona Bolam</b>	<ul style="list-style-type: none"> <li>• Brexit Economic Impact Assessment has been published in September 2019.</li> <li>• Monitoring is continuing through local intelligence gathering.</li> </ul>
2.6	Provide proactive business support activity to respond to emerging challenges, build resilience and reduce risks to normal business operations – in particular considering the effects of uncertainty.	<b>Phil Cole</b>	<ul style="list-style-type: none"> <li>• Prolonged uncertainty remains a key challenge.</li> <li>• Business support team officers allocated to specific funded projects where possible. Considering how to scale additional capacity.</li> </ul>
<b>3. Citizens and Communities impact</b>			
3.1	Ensure community understanding of their rights and the EU settlement processes, including implementing clear signposting.	<b>Shaid Mahmood</b>	<ul style="list-style-type: none"> <li>• Several events have taken place, including events led/supported by Ambassadors to the UK.</li> <li>• Council signed up to provide digital assistance to the community, as well as ID checking service (free service) in five community hubs.</li> <li>• St Vincent's in Leeds has applied and been successful. LCC communities' team referring EUSS complex cases to St Vincent's.</li> <li>• LCC website page with guidance and toolkits for residents and businesses. (Link to website is <a href="#">here</a>.)</li> <li>• LCC EU Settlement Scheme Outreach project to support "hard to reach" EU communities. Scheme expected to be live in September where local VCFS organisations apply. £20k has been allocated to a total of six organisations covering a variety of geographic areas and client groups.</li> <li>• Regular engagement with Home Office officials regarding aspects of the EU Settlement Scheme such as looked after children and vulnerable adults.</li> </ul>
3.2	Proactively monitor community tensions, provide reassurance and respond appropriately when required.	<b>Shaid Mahmood</b>	<ul style="list-style-type: none"> <li>• Cross Council working group led by Communities and Safer Leeds progressing and monitoring community tensions.</li> </ul>
3.3	Effective liaison and engagement with partners to ensure a joined up approach to	<b>Tim Pouncey</b> <b>Sue Wynne</b>	<ul style="list-style-type: none"> <li>• Surveys and events with social care providers to understand implications of EU Exit, support preparations and to understand direct</li> </ul>

	Brexit preparation and response, including with: <ul style="list-style-type: none"> <li>- Schools</li> <li>- Higher/further education institutions</li> <li>- Health sector</li> <li>- Social care</li> <li>- Third sector</li> <li>- Faith organisations/leaders</li> </ul>	<b>Ian Cameron</b> <b>Steve Hume / Caroline Baria</b> <b>Shaid Mahmood</b> <b>Shaid Mahmood</b>	<p>impact on care providers. The sessions covered three main areas: business continuity planning, the EU Settlement Scheme and any relevant government advice that has been given on such issues as medicines, fuel etc.</p> <ul style="list-style-type: none"> <li>• LCC assessing business continuity plans for providers where possible.</li> <li>• Regular engagement with partners (e.g. health and schools) regarding Brexit preparations continuing including in relation to the EU Settlement Scheme.</li> <li>• Health and Social Care EU Exit Task and Finish Group reconvening after national NHS event on September 5th 2019; meeting on 9<sup>th</sup> October 2019.</li> <li>• Third Sector Action Plan produced following March 2019 event.</li> <li>• Schools – Dfe survey responded to in September.</li> <li>• ADASS survey re: the effect on adult social care staffing completed September 2019.</li> </ul>
3.4	Ensure capability to respond to increased demand for hardship payments if required.	<b>Andrew Cameron</b>	<ul style="list-style-type: none"> <li>• Budget of £500k pa for hardship payments and capacity to respond to increase in demand.</li> </ul>
3.5	Ensure appropriate information is provided to elected members to enable them to support the community in their wards.	<b>Shaid Mahmood</b>	<ul style="list-style-type: none"> <li>• Event with elected members around counter extremism and hate crime and advice available.</li> <li>• Advice issued to elected members about safety.</li> </ul>
<b>4. Media and communications</b>			
4.1	Develop and implement a Brexit communications strategy to support response.	<b>Danielle Clayton</b>	<ul style="list-style-type: none"> <li>• Communications strategy and supporting activity in place, including primary source webpage (<a href="#">here</a>) to signpost to government website.</li> <li>• Targeted local messages to be developed around emerging issues as they occur, such as around support for foodbanks within the council.</li> </ul>
4.2	Monitor, respond and support traditional and social media on Brexit at a city level – communicating developments while highlighting Leeds as open for business.	<b>Nick Moore/Danielle Clayton /Donna Cox (via all channel owners)</b>	<ul style="list-style-type: none"> <li>• Ongoing – no major issues flagged.</li> </ul>
4.3	Capture the scale of enquiries, activity and impact through communications channels.	<b>Danielle Clayton /Donna Cox</b>	<ul style="list-style-type: none"> <li>• Ongoing – no major issues flagged.</li> </ul>

4.4	Regularly update key stakeholders across the council and city, in particular: <ul style="list-style-type: none"> <li>- Cabinet, other elected members and MPs.</li> <li>- CLT, BCLT, Brexit working group</li> <li>- Key partners including WYCA, LEP, LRF and Health</li> <li>- Regular updates to Executive Board</li> </ul>	<b>Mariana Pexton</b>	<ul style="list-style-type: none"> <li>• Executive Board reports – March/September 2019</li> <li>• Corporate Governance and Audit report.</li> <li>• Members Brexit Working Group – March/September 2019.</li> <li>• Full Council and R&amp;H Scrutiny Board – September 2019.</li> <li>• Further Executive Board report October 2019.</li> <li>• Update sent to Leeds MPs September 2019.</li> </ul>
4.5	Ensure Government returns are handled and responses issued in a timely manner including Yorkshire and Humber LA regional returns.	<b>Mariana Pexton</b>	<ul style="list-style-type: none"> <li>• Met all deadlines.</li> </ul>
4.6	Use existing relationships with local media to seek to mitigate community tensions which may arise.	<b>Donna Cox</b>	<ul style="list-style-type: none"> <li>• Ongoing</li> </ul>
4.7	Ensure effective dissemination of public information, relevant advice and support to individuals, communities and partners.	<b>Danielle Clayton</b>	<ul style="list-style-type: none"> <li>• Utilise government-produced communications toolkit for materials.</li> <li>• Updated our guidance documents and internet landing page with “Get Ready for Brexit” communications toolkit that Government has shared.</li> <li>• Other communications tools, e.g. email footers developed to share key messages.</li> <li>• Toolkits for schools, children’s centres, care homes.</li> <li>• Social media promotion</li> <li>• Key message bulleting and e-newsletters</li> </ul>
<b>5. Organisational impact</b>			
5.1	Ensure joined-up cross-departmental approach to Brexit preparation and response within the council.	<b>Neil Evans</b>	<ul style="list-style-type: none"> <li>• Officer working group met fortnightly until June and worked effectively. Engagement with Working Group members continued where appropriate.</li> <li>• Working Group reconvened again and meeting approximately every two weeks, with discussions about more regular meetings if required to meet reporting deadlines for government which are expected to start daily from 21 October 2019.</li> </ul>
5.2	Agree clear roles and responsibilities amongst key public sector partners for preparation and response phases.	<b>Neil Evans</b>	<ul style="list-style-type: none"> <li>• Facilitated through this response plan with LCC leads liaising with partner organisations as appropriate.</li> </ul>

			<ul style="list-style-type: none"> <li>The Environmental Health Team are responsible for ensuring that private water supplies to both businesses and residential dwellings are safe and useable. Water companies have confirmed they will be able to support private companies in the event of a shortage of treatment chemicals.</li> </ul>
5.3	Facilitating effective information sharing and communication between the council and the West Yorkshire LRF.	<b>Mariana Pexton</b>	<ul style="list-style-type: none"> <li>Being effectively co-ordinated through active role in LRF and sub groups. Table top LRF exercises conducted September 2019</li> </ul>
5.4	Ensuring effective information sharing between the Council, Local NHS Partners and the West Yorkshire Local Health Resilience Partnership (LHRP).	<b>Ian Cameron</b>	<ul style="list-style-type: none"> <li>Being effectively co-ordinated through co-chair arrangement of WY LHRP.</li> <li>Engagement and follow up from national NHS event on 5<sup>th</sup> September.</li> </ul>
5.5	Ongoing assessment of the robustness and readiness of business continuity plans for the council's critical services – to be implemented as required.	<b>Nigel Street</b>	<ul style="list-style-type: none"> <li>Complete review was undertaken by Resilience and Emergencies team and plans refreshed where needed.</li> </ul>
5.6	Agree in advance the temporary structures and ways of working which will come into play should an emergency situation arise – including at both centre corporate co-ordination and directorate/service levels.	<b>Neil Evans / CLT</b>	<ul style="list-style-type: none"> <li>Ongoing.</li> </ul>
5.7	Identify council service budgets which may require additional financial investment or underwriting as a result of reduced income or increased expenditure. Consider most effective use of funding from central government.	<b>Victoria Bradshaw</b>	<ul style="list-style-type: none"> <li>Council awarded funds as per formula. Used for priority areas (Brexit economic Impact Assessment, Settlement Scheme, coordination and communication).</li> <li>Recently informed of further allocation of funds and this is being considered.</li> </ul>
5.8	Track impact on council workforce affected by Brexit, including staff welfare, intervening as required.	<b>Emma Browes</b>	<ul style="list-style-type: none"> <li>LCC staff alerted to Settlement Scheme including via internal website (InSite).</li> <li>Messages issued to reassure staff and provide options for welfare support through HELP.</li> <li>Trade Union working group established to maintain dialogue on Brexit and address issues as needed.</li> </ul>

5.9	Consider the impact of staff redeployment due to Brexit response activity and/or wider related loss of staff.	<b>Emma Browes</b>	<ul style="list-style-type: none"> <li>Starters/leavers tracked monthly to establish if turnover patterns and labour demand are being affected – no evidence at present.</li> <li>Dialogue with health partners and schools ongoing.</li> <li>Current and emerging work permit schemes to be tracked and considered with advice given to LCC managers, plus schools.</li> <li>Options for flexible deployment and other cover arrangements to release capacity to support response activity to be considered as required.</li> </ul>
5.10	Consider need to review Best Council Plan, other relevant council strategies and our risk management approach as new intelligence arises.	<b>Coral Main</b>	<ul style="list-style-type: none"> <li>Review of strategies has been undertaken – majority very high level so not affected, underpinning activity may be however.</li> <li>All corporate risks recently reviewed to ensure in particular consideration of Brexit-related community resilience and economic risks.</li> </ul>
5.11	Ensure regular dialogue with council contractors and suppliers to identify any potential supply chain challenges early.	<b>Dean Backhouse</b>	<ul style="list-style-type: none"> <li>Procurement continuing to engage with suppliers/contractors as required.</li> </ul>
5.12	<p>Review ongoing regulatory changes as a result of Brexit to understand consequences, including but not limited to:</p> <ul style="list-style-type: none"> <li>Data protection and data transfers</li> <li>Export certificates</li> <li>Procurement regulations</li> </ul>	<b>Louise Whitworth Paul Spandler Dean Backhouse</b>	<ul style="list-style-type: none"> <li>Officers are authorised and procedures are in place to issue export certificates for food products on request by food businesses. Additionally, Environmental Health have contacted known potential exporters of animal products to EU to discuss their future export certification requirements and provide guidance.</li> <li>Food Standards Agency have released further guidance on Brexit which is currently being reviewed to determine any further requirement for changes to Environmental Health processes (review ongoing).</li> <li>Environmental Health currently arranging a visit by the Food Standards Agency Imports Delivery Branch in August, including to Environmental Health and Leeds-Bradford Airport, to discuss current arrangements and any future potential direct importation of food to the airport (date to be confirmed).</li> <li>The draft public procurement regulations relating to EU exit have been published and will mostly come into force on exit day, but may be revoked or amended if there is a Withdrawal Agreement.</li> </ul>

			<ul style="list-style-type: none"> <li>• A draft explanatory memorandum published with the above indicates that the framework and principles underlying the existing UK procurement regime remain unchanged in most respects.</li> <li>• Procurement unit will review the documents above and provide guidance to procurement/commissioning officers within the Council. They will also undertake a review of procurement documentation to ensure the terms used are appropriate post-Brexit.</li> <li>• Data protection guidance issued to local authorities by MHCLG on 4/3/19. DIS considering and progressing required action.</li> <li>• LCC have completed the Government survey on personal data flows in the event of a no-deal Brexit on 13<sup>th</sup> September and are analysing any potential business impact on our data storage arrangements being affect in this event.</li> </ul>
5.13	Working with the Electoral Commission and partner organisations, ensure all relevant contingency plans are in place for the possibility of elections/public votes.	<b>Susanna Benton</b>	<ul style="list-style-type: none"> <li>• European elections successfully delivered in May 2019.</li> <li>• Elections team ready to respond to national developments.</li> <li>• Brought forward the annual canvass in 2019 to accommodate potential general election.</li> <li>• Discussions with MHCLG and Cabinet Office regarding potential impact of winter election on resources.</li> </ul>