

SURREY COUNTY COUNCIL**CABINET****DATE: 24 SEPTEMBER 2019****REPORT OF: MR COLIN KEMP, DEPUTY LEADER****LEAD OFFICER: JOANNA KILLIAN, CHIEF EXECUTIVE****SUBJECT: SURREY COUNTY COUNCIL PREPARATIONS FOR
EXITING THE EUROPEAN UNION (BREXIT): 31
OCTOBER EU EXIT DATE****SUMMARY OF ISSUE:**

This report updates Cabinet on the ongoing work Surrey County Council and partners are undertaking to prepare for all eventualities of Britain's anticipated exit of the European Union on Thursday 31 October 2019. The report focuses particularly on the work undertaken by the council and for the county since May, when the government officially instructed local authorities to recommence 'no deal' Brexit planning. Since August the government has intensified 'no deal' planning activity. The council's preparations aim to mitigate any potential implications for the county – particularly in the immediate and short term – and support residents, communities and organisations. The council has conducted a range of activity that builds on the work undertaken during the March and April Brexit dates, including:

- designating a Lead Brexit Officer (Joanna Killian) to coordinate and lead council and countywide planning activity;
- updating the council's Brexit web page, which signposts to important and official sources of information, such as the government's 'Get ready for Brexit' public information campaign;
- supporting the comprehensive planning and preparation undertaken by the Surrey Local Resilience Forum;
- reviewing and updating business continuity arrangements to ensure the council continues to provide quality services to residents.

The report presents the partnership work that has been taking place with central government, neighbouring counties, boroughs and districts, health partners, local enterprise partnerships and the chamber of commerce. The context surrounding Brexit is changing rapidly, so this report reflects the position at the time of drafting.

RECOMMENDATIONS:

It is recommended that Cabinet endorse the current position of the council's preparations, including the plans and preparations that are expected to be implemented by Thursday 31 October 2019 (expected date for Britain's formal withdrawal from the European Union).

REASON FOR RECOMMENDATIONS:

Brexit carries a number of potential possibilities and implications for the county. Surrey County Council has a responsibility to prepare for all eventualities, particularly those which pose negative implications for residents, communities and organisations. The council's ongoing work outlines how it will ensure the necessary plans and preparations are in place

to mitigate any potential immediate and short term implications and provide support and assurance where possible. This is in line with guidance provided by central government.

DETAILS:

Background

1. Britain is expected to formally leave the European Union (EU) on Thursday 31 October 2019. Since the initial EU exit date (Brexit) in March, and then subsequently April, a new government is in place following the appointment of Prime Minister Boris Johnson. The government is currently negotiating a new withdrawal agreement with the EU but have committed to leave the EU on 31 October with or without a deal¹. As such, to ensure Britain is prepared for a 'no deal'² scenario on 31 October the government have placed emphasis on establishing robust 'no deal' preparations.
2. Brexit, in both a 'deal' or 'no deal' scenario, presents an array of potential possibilities, implications and uncertainties. Surrey County Council has a statutory obligation to deliver key public services and a role to support residents, communities and organisations as the relationship between the UK and EU changes and develops.
3. The council's preparations are primarily coordinated by the officer working group which was established in 2018. The working group focuses on the council's immediate and short term planning for all Brexit eventualities, aiming to ensure the necessary mitigating plans and preparations are in place by the time Britain formally withdraws from the EU.
4. Cabinet received a report in February which outlined plans and preparations in place for the March Brexit date. The council has been building on this work and, drawing upon guidance within the Ministry for Housing, Communities and Local Government (MHCLG) checklist (see Annex A) and subsequent governmental advice, have continued to develop robust plans for the council and the county. This report will detail progress to date and how the council will continue to develop preparations in line with any future guidance from central government.

Planning progress since May

5. In May the government formally requested local authorities to recommence 'no deal' preparations. Following the request the council intensified planning and preparatory work, particularly working in partnership with the Surrey Local Resilience Forum (LRF) to review and update existing plans for the county.
6. On 6 August 2019 the Rt Hon Robert Jenrick MP, Secretary of State for Housing, Communities and Local Government, wrote to all 38 Local Resilience Forums requesting for Brexit preparations to be escalated to a planning priority with the aim to ensure robust plans are in place covering every community and that preparations are intensified in advance of 31 October.

¹ For the purposes of this document, a 'Deal' scenario refers to the passage and royal assent of a/the Withdrawal Agreement which outlines the terms of the UK's withdrawal from the EU before the 31 October 2019

² For the purposes of this document, 'No Deal' refers to the withdrawal of the UK from the EU on 31 October 2019, without the passage of a Withdrawal Agreement.

7. Using a reporting template provide by MHCLG, LRF chairs have been reporting forum readiness for Brexit as 31 October approaches. Planning and reporting is based on the national planning assumptions. The LRF have continued to work diligently and have intensified planning with government departments e.g. Department for Transport, partners across different sectors e.g. health and neighbouring counties to provide assurance that arrangements are in place and ensure Surrey stays 'open for business'. This includes developing robust traffic management arrangements to limit any impact on Surrey's roads and ensuring support is available for vulnerable residents, including those who may experience financial hardship.
8. The Surrey LRF will continue to support the resilience planning and government direction regarding Brexit preparations, while ensuring that partners remain able to respond to normal winter pressures or any other emergency during this period. The council will continue to have an integral role in LRF planning. Additionally, in regards to council preparations, the officer working group was re-established to lead immediate and short term council planning.
9. Following a request from MHCLG, the council has designated Joanna Killian as the Lead Brexit Officer whose responsibilities are centred around coordinating preparations within the council and around the county (see Annex B which also provides expectations of the Lead Officer). Drawing upon these responsibilities, the council has three core responsibilities: council planning and preparations, working in collaboration and supporting LRF planning activity and joint-planning with health partners. MHCLG has also allocated £20 million to local authorities for Brexit planning. The council received £87,500 (see Annex C) which will be used to support any service resource requirements for Brexit preparations.

Future planning and activity for 31 October

10. The council will continue to develop preparations and has planned to conduct an array of activity before 31 October. These next steps will also be reviewed and updated to align with any future guidance and advice from central government.

Business Continuity

11. The council has a core responsibility to deliver a range of services both statutory, e.g. social care, and regulatory, e.g. Trading Standards. Therefore, as part of Brexit preparations, the council is updating and developing thorough business continuity arrangements within services and with partners to ensure any potential implications for service delivery are minimised and mitigated.
12. In conjunction with the MHCLG local authority preparedness checklist and technical notices published on the central government website³, the national planning assumptions provide a framework for business continuity arrangements and wider planning. This framework provides guidance for planning priorities, supports services in identifying risks and helps to allocate time and resource effectively.
13. In partnership with Buckinghamshire County Council, the council is responsible for Trading Standards. The Buckinghamshire and Surrey County Council Trading Standards team is a market surveillance body responsible for inspecting goods that

³ [See Local government Brexit preparedness](#)

cross the national border. In both a 'deal' and 'no deal' scenario the UK will adopt new trading standard responsibilities which will have an impact on the service, including a potential increase in demand as traders prepare for any changes.

14. Throughout the Brexit planning process the service has been proactively engaging with governmental departments, partners and other authorities to ensure contingency plans are in place. These plans include prioritising more market surveillance on products to ensure they comply with regulations and exploring options to respond to demand. The service will continue to monitor developments and liaise with governmental departments, particularly to ensure arrangements are in place to respond to any increases in demand and key staff are trained following clarity around, or changes in, legislation and regulations.
15. The council uses some EU databases that help support service delivery, for instance to help Trading Standards understand which goods, foods and businesses pose any threats. There are also databases and servers based in EU member states. The council have been identifying those servers and systems and assessing any potential impact on services due to changes in accessibility to EU databases and information flow. The council will continue to maintain a watching brief and align contingency plans with governmental and the Information Commissioner's Office guidance.

Maintaining service delivery and supply chain

16. The council relies on suppliers to help deliver services. Through engagement with suppliers, particularly the Care and Construction industries, the primary risk is around potential staff shortages. Any staff shortages for suppliers may incur additional costs to the council to maintain service provisions and prompt potential diminution of services for some of our most vulnerable residents. The council has continued to frequently liaise with providers and suppliers to understand any additional risks and is establishing contingency plans and providing support for their preparations.
17. The council and Surrey's LRF have a close working relationship with the Kent Local Resilience Forum (KLRFF), particularly around Brexit planning and Operation Fennel. Operation Fennel is Kent's overarching freight and passenger traffic management plan, designed to mitigate potential congestion caused by border delays and any subsequent impacts on surrounding areas, including Surrey. The council has continued to work with Kent to inform these plans and ensure preparations are in place to minimise any potential implications on Surrey's transport network and service delivery.

Surrey County Council's workforce, including wider care sector

18. The primary risk for service delivery is a potential reduction in the council's workforce and those staff employed by providers. That is, if non-UK EU staff choose to leave or relocate there may be reduced capacity to deliver core services.
19. The council's staff are an integral part of service delivery. As an employer, the council has been supporting and reassuring members of staff that have been, or will be, affected by Brexit. This has comprised of providing regular updates to staff around citizens' rights and the activity of the officer working group. This also included targeted communications to services, particularly social care, to support service areas that may be disproportionately affected. The council will continue to share

guidance and offer support to staff, by providing frequent updates, advice and information particularly around citizens' rights.

20. The council has also been working closely with partners in the health and social care sector to align Brexit preparations but also to support staff that have an essential role in caring for Surrey residents. This includes sharing guidance and liaising with providers to advise and reassure staff.

Communication and engagement

21. The council has a responsibility to support residents, ensuring they are settled and reassured within their communities. Furthermore, the council has a role in 'place shaping' which entails creating an environment for businesses to flourish and working with them to develop strategies for increasing skills and employment of our residents and supporting other organisations, such as the voluntary, community and faith sector, to help Surrey's communities prosper.
22. The council is supporting residents and organisations through digital platforms, namely a web page on the Surrey County Council website⁴. The web page acts as a signposting tool, utilising official sources (e.g. gov.uk) to provide key information and guidance. The web page, which was established earlier this year, will continue to be updated with new, relevant and the most up-to-date information. The council also welcomes the new public information campaign that the government has launched, 'Get ready for Brexit'⁵. The government's 'Get ready for Brexit' web page provides tailored detail and information for individuals and businesses in preparation for Brexit.
23. Surrey has a strong business environment that has subsequent positive impacts on our communities. The council has a role in maintaining this environment by providing Brexit support to business and explore ways to create a thriving environment after Britain leaves the EU. Although there has been no reported increase in business support requirements the council has continued to engage directly with businesses through virtual meetings and working with the Local Enterprise Partnerships and the Surrey Chamber of Commerce to both understand the concerns of businesses in Surrey and provide advice and support.
24. Building on previous activity, the council have prepared a series of engagement with a range of key partners to share information and updates around Brexit plans and align preparations. Through the Emergency Management and Resilience Team the council will also support Surrey LRF engagement with key stakeholders.

Local partnership working

25. Working with partners is an integral part of countywide and council Brexit planning. Joint-planning is required to ensure Surrey remains 'open for business' and any impact on resident's day-to-day lives and activities is minimised.
26. A key partnership with a central role in Brexit planning is Surrey's LRF. The LRF is a multi-agency partnership that brings together all agencies which have a significant role in responding to, and recovering from, the effects of emergencies. It is convened

⁴ See [Surrey County Council and Brexit](#)

⁵ See [Get ready for Brexit](#)

under the Civil Contingencies Act 2004. Representatives include Surrey County Council, NHS England, Environment Agency and boroughs and districts, which are all Category 1 responders. The LRF is also supported by Category 2 responders, such as Highways England and utility companies⁶.

27. With regards to Brexit planning, the LRF's strategic intent is to mitigate any negative or detrimental immediate effects in Surrey. This entails ensuring residents are reassured, both individuals and communities are treated with dignity and respect, and business activity in our communities is supported. The LRF is also a key communication channel between the council and central government. LRF capabilities have a countywide focus but compliment and align with the council's plans and preparations. The council will maintain a close working relationship with the LRF and will continue to plan in collaboration.
28. In addition to the LRF, the council has been working with numerous stakeholders and has had an active role in a number of other partnerships, including:
- a. Boroughs and districts. The council has continued to work closely with boroughs and districts to ensure plans and preparations align, particularly around support for vulnerable residents and supporting businesses.
 - b. South East 7 (SE7). SE7 is a partnership comprised of seven South East councils (Brighton and Hove, East Sussex, Hampshire, Kent, Medway, Surrey, West Sussex). The council has been liaising with SE7 around joint-planning opportunities and identifying key risks for the South East region. SE7 also acts as communication stream between South East local authorities and central government.
 - c. Neighbouring local authorities. The council has maintained a close working relationship with neighbouring authorities situated on the national border, particularly Kent County Council and Hampshire County Council. Whilst Surrey has no border with other countries, the county may experience indirect border disruption spilling over from neighbouring areas. The main risk is potential implications for traffic flow. The council will continue work with its neighbours to support their traffic management plans⁷.
 - d. Health partners. The council has been engaging and developing joint-plans with health partners to ensure residents, particularly the most vulnerable, continue to receive quality health and care provision. Additional engagement, including through the LRF, is planned and the council will continue to work with health partners to ensure robust plans are in place.
 - e. Businesses, Local Enterprise Partnerships and Surrey Chamber of Commerce. The council has continued to engage with the local business stakeholders to understand their concerns and how the council can provide support.
 - f. Local Government Association (LGA). The council have been engaging with, and contributing to, the work of the LGA's Brexit Taskforce.

⁶ See [Surrey's Local Resilience Forum](#)

⁷ See [Brexit Preparedness – Kent County Council update](#)

CONSULTATION:

29. Engagement with stakeholders has continued to be a key part of the council's Brexit planning process. Through the LRF the council have been liaising with a range public bodies such as emergency services, health bodies, government agencies, other local authorities.
30. As part of wider planning, the council has been engaging with external stakeholders such as boroughs and districts, businesses, local enterprise partnerships, organisations from the voluntary, community and faith sector to understand implications within the respective sectors and in communities.
31. Internally, the council has been engaging with officers from numerous services and the relevant Cabinet Members.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

32. The council received £87,500 from MHCLG to support Brexit preparations (see Annex C). The funding will be used to support any resource requirements for Brexit planning arrangements.
33. As the Surrey LRF budget holder, earlier this year the council received a funding allocation of £38,043.48. This was used to resource staffing support for preparations. The council will also receive an additional £79,100 on behalf of the LRF and has a legal and fiscal responsibility to spend this in line with MHCLG criteria (see Annex D).

SECTION 151 OFFICER COMMENTARY

34. The s151 Officer recognises the preparations and contingency plans being undertaken as part of Brexit planning. Costs are being monitored against the grants received. At the moment, actual costs are contained within grants, but projections are that spend might exceed grant. We will continue to monitor the situation over the coming weeks.

LEGAL IMPLICATIONS – MONITORING OFFICER

35. At this point there is insufficient clarity as to the impact of the UK's withdrawal from the EU to enable a comprehensive appraisal of the likely effects on the Council.
36. This report identifies the potential workforce challenge that may face the Council and its suppliers as a result of possible changes to the immigration status of frontline staff delivering key statutory services. Difficulties in retaining staff who are EU citizens could directly impact the Council's ability to maintain vital services.
37. In the future the Council may face changes to the regulations which govern procurement and State Aid. It is also expected that the Information Commissioners Office will implement new arrangements to reflect the fact that the UK has left the EU. As Brexit plans are formalised it will be necessary to keep the legal implications under review

EQUALITIES AND DIVERSITY

38. An Equality Impact Assessment (EIA) is not needed for this report as the decisions asked of Cabinet do not have any direct equality implications. However, when there is clarity around the terms of Brexit, any subsequent services changes will be accompanied by an EIA.
39. Under Equality Act 2010, race is considered a protected characteristic – this includes nationality. Brexit will have a disproportionate impact on EU nationals. Therefore, as the terms of Brexit become clearer, the council will need to establish an understanding of the implications for affected residents and staff.

WHAT HAPPENS NEXT:

40. The council will continue the ongoing work to ensure Surrey is prepared for all Brexit eventualities. The working group will continue to coordinate the council's Brexit preparations.

Contact Officer:

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Consulted:

Surrey County Council's Corporate Leadership Team
Surrey County Council's Brexit Working Group
Chair of the Surrey Local Resilience Forum

Annexes:

- Annex A – MHCLG local authority preparedness checklist
- Annex B – Letter from Rt Hon Robert Jenrick to local authorities
- Annex C – Brexit funding allocations for local government, 16 August 2019
- Annex D – LRF funding letter

Sources/background papers:

- Surrey County Council preparations for exiting the European Union (Brexit) (<https://mycouncil.surreycc.gov.uk/mgConvert2PDF.aspx?ID=54838>)
- Surrey's Local Resilience Forum (<https://www.surreycc.gov.uk/people-and-community/emergency-planning-and-community-safety/emergency-planning/surreys-local-resilience-forum>)
- Surrey County Council and Brexit (<https://www.surreycc.gov.uk/council-and-democracy/brexit-support>)
- HM Government: The withdrawal agreement and political declaration on our future relationship with the EU (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/759023/25_November_Explanatory_slides_for_the_Withdrawal_Agreement_and_Political_Declaration_on_our_future_relationship_with_the_EU.pdf)

- Brexit funding for local authorities (<https://www.gov.uk/government/news/councils-in-england-to-receive-over-50-million-to-support-brexite-preparations>)
 - MHCLG: Local government Brexit preparedness (<https://www.gov.uk/guidance/local-government-brexite-preparedness>)
 - MHCLG: £9 million announced to get ports and local areas ready for Brexit (<https://www.gov.uk/government/news/9-million-announced-to-get-ports-and-local-areas-ready-for-brexite>)
 - MHCLG: Government readies whole nation for Brexit with every council to have a designated Brexit lead (<https://www.gov.uk/government/news/government-readies-whole-nation-for-brexite-with-every-council-to-have-a-designated-brexite-lead>)
 - Report from Kent County Council: Brexit Preparedness – Kent County Council Update (<https://democracy.kent.gov.uk/documents/s88112/Item%207%20-%20Brexit.pdf>)
 - Get ready for Brexit: (<https://www.gov.uk/brexite>)
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