

APPENDIX G

Title: Preparing for the UK's exit from the EU – Local Implications

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Summary

Brexit is the most significant political and economic event for a generation, affecting every individual, company and local authority. More than two years have passed since the referendum of June 2016, but time has brought little clarity to what will happen next and there remains three possible outcomes – no deal Brexit, deal (with variations of the proposed Withdrawal Agreement as agreed by the Prime Minister and the EU, or a softer Brexit including staying within the customs union and/or the single market) and no Brexit (as the result of a general election, second referendum or UK Parliament unilaterally withdrawing Article 50).

The political situation at the time of writing this report remains fluid, and until the final agreement is known it will be hard to determine its exact impact. However, the council will need to be prepared for all eventualities (including a no deal Brexit) and keep up-to-date with developments, regularly reviewing the areas of highest potential impact.

This report considers the potential impacts of Brexit for the London Borough of Barking and Dagenham, grouped under seven headings; EU funding, revenues and demand, supplier risk, staffing, community impact, contractual risks and capital investment.

The report assesses risk and identifies opportunities associated with each theme. It summarises what the council is doing, or could do, to ensure any potential adverse effects on our residents and services are minimized whilst any opportunities are maximised.

It summarises our initial assessment of impact. This will be developed in the coming months as further clarity emerges about the nature of the UK's withdrawal agreement.

Recommendation(s)

The Group is asked to:

- (i) Note the potential impacts and responses to Brexit as set out in this report.
- (ii) Continue to monitor the impact as the situation unfolds and carryout a more detailed scenario planning for each of the headings in this report
- (iii) To agree that a risk log be created, with RAG rated risks and mitigating actions, to be updated on a fortnightly basis by Leadership Group.

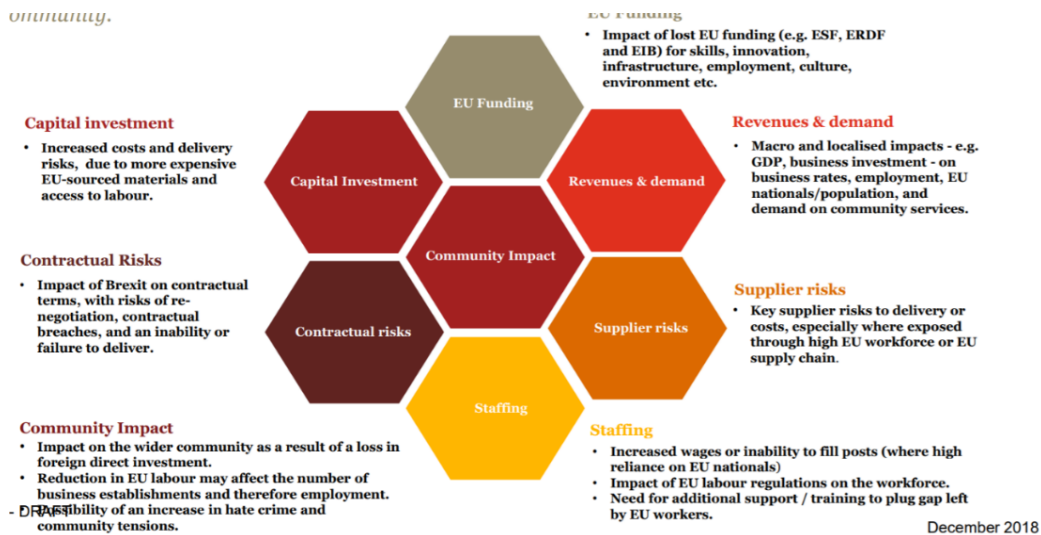
1. Introduction and Background

- 1.1. Brexit is the most significant political and economic event for a generation, affecting every individual, company and local authority. More than two years have passed since the referendum of June 2016, but time has brought little clarity to what will happen next. The UK is scheduled to leave the EU at 11pm UK time on Friday 29th March 2019.
- 1.2. Negotiations on the terms of the UK's withdrawal have now concluded. The UK and the EU have agreed a draft Withdrawal Agreement, which was rejected by the UK Parliament on Tuesday 15th January, by 230 votes.
- 1.3. In light of the latest developments, there remains three possible scenarios.
 - **No deal** – no final agreement on citizen's right, the Irish Border or other critical issues. Whilst an extreme form of no deal (e.g. no agreement on aviation) ought to be avoided, this outcome would mean very significant change e.g. traffic on all goods at WTO rates, loss of access to all EU funding, no agreed facilitation of free movement, no transition period etc. Preparations would need to be in place by 29th March 2019.
 - **Deal** – agreed exit terms, trade framework and transition period with continuation of trade talks – effectively means no change until end of 2020 with a number of options after that. There is also a possibility that now the proposed Withdrawal Agreement has been defeated, and an alternative, "softer" Brexit deal could be agreed (i.e. staying in the single market, including free movement of goods, services, capital and labour, or staying in the customs union to ensure frictionless trade with the EU).
 - **No Brexit** – no parliamentary agreement leads to a second referendum or a general election, EU agrees to extension of Article 50 and remain wins, or the UK Parliament unilaterally decides to withdraw Article 50. Continued uncertainty until legally settled, but in the longer-term, no change.
- 1.4. Until the final agreement is known it will be hard to determine its exact impact. However, the council will need to be prepared for all eventualities (including a no deal Brexit) and keep up-to-date with developments, regularly reviewing the areas of highest potential impact, including the local economy, workforce and skills, community cohesion, demand for public services, the Council's finances and regulatory framework.
- 1.5. Brexit will affect each area differently and so it is important to recognise the impact of Brexit at a local level. Barking and Dagenham voted to leave the EU, with 62.5% of the voters supporting leave. It was one of only five London boroughs to do so. The political viewpoint, however, within the Council is generally pro-remain and the Leader was active in supporting staying in the EU in the run up to the referendum.
- 1.6. Whatever view is taken towards Brexit, it is likely to have significant implications for Barking and Dagenham Council, the local economy and our residents. We are a borough with rapid population change, acute deprivation and inequality of outcomes compared to the rest of London, meaning that any negative economic outcome as a result of Brexit is likely to have a large impact. Historic data shows that our employment rates are more sensitive to changes in the economy – and that when there is a reduction in London-wide employment, ours sees a significantly larger decrease which may be a result of the nature of prominent local jobs and skills.

- 1.7. The Borough Manifesto targets set out our aspirations to improve the lives and outcomes for our residents – including through lowering unemployment rates, increasing earnings. The unknown impact of Brexit, and the historic data showing our sensitivity to economic downturns, could affect our ability to achieve these aspirations.
- 1.8. Another key context to consider is the borough's substantial growth potential – as London's growth opportunity – and the targets of building 50,000 new homes and 20,000 new jobs over the next 20 years. This is a priority for the Council.
- 1.9. Changes to immigration to the UK post-Brexit, as outlined in the Government's White Paper may impact local people and the delivery of public services. The proposals include a £30,000 minimum salary threshold for EU and non-EU immigrants. This could directly impact important local sectors, including construction, health and social care, and hospitality.
- 1.10. It is important to consider the societal, community impact of Brexit as well as the economic. In the year following the referendum, there was a 5% rise in reported racist hate crime in Barking and Dagenham compared to the 12 months up to June 2016. It is not possible to confirm that this is attributable to the referendum itself, though the increased discussion and emotion surrounding the issue of immigration can likely be viewed as a factor. EU citizens living in Barking and Dagenham may feel unwelcome and uncertain of their future. The tensions and uncertainty around Brexit mean that communities remain deeply divided. Recently, reports that suggest a second referendum would further threaten social cohesion, with Brexit voters seeing it as a betrayal of democracy and a dismissal of their views, leading to the potential for a rise in extremist views.
- 1.11. Councils play a leading role in bringing communities together and this will be important in the context of Brexit. There remains considerable uncertainty for everyone and the Council will continue to work with residents, partners, local businesses to prepare for change and mitigate negative impacts.
- 1.12. This report summarises our initial assessment of impact. This will be developed in the coming months as further clarity emerges about the nature of the UK's withdrawal agreement.

2. Potential Impact

- 2.1. This report considers the potential impacts of Brexit for the London Borough of Barking and Dagenham, grouped under seven headings (as below). These themes emerged from a workshop with PWC held in December 2018. The report assesses likely risks and identifies potential opportunities associated with each theme. It summarises what the council is doing, or could do, to ensure any potential adverse effects on our residents and services are minimized whilst any opportunities are maximised.



Funding (Helen Seechurn, Interim Director of Finance)

- 2.2. This section considers the impact of the loss of EU Funding. Whilst the Council initially borrowed £89m from the European Investment Bank in 2015/16 repayable on an annuity basis until 2044, the Council can confirm there are no call back provisions within the loan agreement. Whilst the Council's Treasury Management Strategy permits borrowing from the European Investment Bank, it is not restricted to it with other borrowing routes available such as Public Works Loan Board (PWLB)
- 2.3. Interest rate forecasts suggests in the event of an orderly non-agreement exit, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help economic growth deal with the adverse effect of this situation. This is also likely to cause short to medium term gilt yields to fall. If there was a disorderly Brexit, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly.
- 2.4. Although permitted under the Treasury Management Statement, the Council does not currently have treasury investments in any European country, any decision to invest will be considered on a case by case basis taking into account the prevailing climate of the Exit arrangements.
- 2.5. The Council's current capital programme does not include any existing scheme in receipt of EU funding.
- 2.6. The European Social Fund (ESF) focuses on improving the employment opportunities, promoting social inclusion and investing in skills. The borough's Work and Health Programme is funded by the Department for Work and Pensions and the ESF. The government has said the UK will continue to participate in the ESF programme and that communities would continue to receive the same levels of funding until the end of the 2014-2020 programme period. The government has also pledged to create a UK Shared Prosperity Fund (UKSPF), designed to serve a similar purpose to current EU funding. However, to date no information is available on the criteria, or the overall amount of funding, which could be less than that currently available.

Revenues and Demand (Helen Seechurn, Interim Director of Finance and Mark Tyson, Commissioning Director, Adults Care and Support)

- 2.7. It is difficult to predict any adverse impact in terms of revenue loss. Collection rates for council tax and business rates for 2017/18 stood at 96% and 98% respectively. Each 1% reduction will result in losses of £0.6m and £0.8m respectively.
- 2.8. Currently there are 4,443 business in the borough being charge Business Rates. The estimated total Business Rates charge for 18/19 is £62m. Shops make up the largest number of businesses in the borough with 1,370 (31%), however this makes up only 4% (£6m) of the total charged. Warehouses represent 11% of all properties in the borough but have a total charge of £17m or 31% of the total charge. Fords engine plant makes up £3m whilst the 7 superstores in the borough make up £4.5m in Business Rates between them.
- 2.9. The direct effect of a poor outcome from Brexit is dependent upon which sectors are affected. Any hindrance to movement of goods will in the first instance effect factories and warehouses and eventually move to superstores and small shops.
- 2.10. If importing and exporting of goods is not affected by Brexit but the country enters a recession, Business rates collection in the first year is not likely to drastically reduce. This is because smaller businesses are unable to continue trading for the length of time that bigger companies can without a consistent cash flow. That's said dependent upon how deep and long the recession is would then start to affect the larger businesses which if lead to closure will have a significant effect on collection. If for instance Fords closed their engine plant, £3m of Business Rates would be lost.
- 2.11. The knock-on effect upon the borough in terms of employment will result increases applications for Universal Credit, rent and Council Tax arrears. This will put additional pressure upon the service to provide a collection service as contact and action to recovery unpaid debts increases. In addition, as has been seen on a number of occasions, the government may introduce national reduction schemes. These schemes are often put together quickly and often result in additional work for the service.
- 2.12. The cost of living crisis could be exacerbated by Brexit. According to a JRF report, 'How could Brexit affect poverty in the UK?', the cost of living for the average UK household has increased by over £400 a year since the EU referendum (through the fall in sterling and rise in interest rates). Real wages would fall by 1.0% in the event of 'no-deal', with prices rising by up to 3%, increasing vulnerability to debt and homelessness. This could increase the need for homelessness prevention, budgeting support, discretionary housing payments, as well as temporary accommodation. It could also increase the amount rent and council tax arrears.
- 2.13. It has also been suggested that a no deal Brexit may result in UK citizens living in the EU to return to the UK, and this could be expected to increase demand for adult social care and NHS care. However, it is not possible to know how many will return to Barking and Dagenham and how many would have any care and support needs.
- 2.14. Planning for school places uses GLA's birth data for their demand projections. This source does not make any allowances for the impact of Brexit, as it such an unknown at the moment and it is too early to see any patterns in the two years since the referendum. Current projections show the demand for primary and secondary school places continuing to rise year on year up to 2026/27.

- 2.15. Brexit has the potential to change the nature and level of demand for services in a number of areas. However, given the ongoing uncertainty, it is not possible to predict the scale of the change. The effect of Brexit on demand for services may complicate the management of necessary spending reductions to meet savings targets.

Suppliers (Hilary Morris, Commercial Lead)

- 2.16. In terms of corporate contracts (those that span multiple services), we have identified the contracts that we consider most likely to be impacted.
- 2.17. Utilities – Laser have confirmed they do not expect to see an impact on existing customers in the short term, or any impact on supply. However, costs are likely to rise if tariffs are implemented following a no deal.
- 2.18. Temporary Labour – Corporate Procurement are engaging directly with Adecco to assess whether it is likely we will see an impact, but we have not yet received that assessment.
- 2.19. Translation Service – We do not have a view as to the likely impact from our current provider, but we have commenced discussions with them.
- 2.20. This does not discount that there may be other suppliers that might be affected. The Council has been discussing mitigations with areas that are most likely to see immediate impacts in the event of a no deal such as catering. We are looking at the products that could be impacted, because they are produced in the EU, and following that we are looking at replacement UK-made products. This conversation is ongoing.
- 2.21. Brexit is listed as a standard agenda item on the Procurement Board so will be regularly discussed and likely impacts reviewed.

Contractual (Robert Overall, Director of My Place, Hilary Morris, Commercial Lead & Mark Tyson, Director of Adults Care and Support)

- 2.22. Discussions taken place with suppliers in My Place and Public Realm and they have given assurances that the risk to supply chain is minimal. They have either increased their own stock levels to mitigate any issues or have advised that their products are predominantly sourced from within the UK. There is, however, a risk that costs may increase if demand starts to outweigh supply.
- 2.23. Regarding vehicles, we have assurance that all quotes for supply of new vehicles obtained before the date and orders placed will be honoured until delivery of the vehicles are fulfilled.
- 2.24. The fleet department have been instructed to monitor the fuel levels and ensure that all tanks and vehicles are kept topped up, this will mitigate the risk in case of a supply issue. Fuel Contract is due to be re-procured post go-live, it is likely that the cost of fuel may increase post Brexit and therefore the cost to procure like for like will be higher.
- 2.25. Initial discussions with Care and Support providers have not revealed any significant concerns regarding Brexit, although we will start having more formal discussions with them all about contingency planning and their workforce. We have put Brexit on the agenda for each of our next Provider Forums (these will take place over the next quarter) and any market engagement events. We will also have Brexit as an item at the launch of our next Market Position Statement in March/April (TBC). This is a joint event with Children's colleagues as we launch our two Adults and Children's MPSs.

Additionally, the Quality Assurance team are making Brexit a topic at all visits and inspections over the coming months.

- 2.26. Our colleagues in Care and Support training have also had discussions with networks and have not had anything significant reported regarding the Care and Support market.
- 2.27. If there were ramifications with providers of staff, it may produce a capacity issue or would push the hourly rate not the local authority pay up, but we would need to do some more analysis of this through the actions above.
- 2.28. We have had discussions with the CCG around Brexit regarding clinical MH staff within the Trust. The NHS are currently auditing their vacancies to assess the impact and looking at the pay of some of their workers (particularly Community Psychiatric Nurses), as those that earn less than £30,000 may not qualify for skilled worker status, as outlined in the Government's White Paper on immigration.

Staffing (Gail Clark, Head of Workforce Change)

- 2.29. A data verification exercise will be undertaken in February 2019 with all staff, and we will include a question on nationality. The reason for collecting this will be sensitively explained.
- 2.30. A communication plan is in place for EU settlement scheme and support for our workforce. Confirmation is required from CSG on whether the council will pay the fees for the individual and their children. With 3 million EU workers affected in the UK, there will be a pressing need to maximise communication and reassure. There is a risk of employment of illegal workers if time runs out, or there are system glitches caused by high-volume applications towards the deadline.
- 2.31. Nationality information is collected for the children's social care workforce, and Adecco have been asked to include for all agency workers. National Minimum Data Set (annual return <https://www.nmds-sc-online.org.uk/content/About.aspx>) has been reviewed to identify any potential issues for adult care workforce including directly employed staff and we have concluded that the Council does not have significant issues in terms of workforce ramifications. For our local adult social care workforce, we are seeing:
 - Percentage British Nationality – 53%
 - Percentage of the Workforce EEA – 13%
 - Percentage of the Workforce from outside the EEA – 34%
- 2.32. EU recruitment has taken place for social workers in two phases, the first group will start in February and apart from ensuring that the EU settlement scheme applies, it is unlikely to be problematic. A no deal Brexit may cause difficulties with the April recruitment and this is being urgently reviewed for risk and resolution.
- 2.33. Grow our own schemes are in place through apprenticeship and other routes for some professional staff (e.g. CIPFA, legal) and will be expanded for social workers and potentially for teachers. It is difficult to say at this stage whether we have significant reliance on EU nationals in this group, until the data verification exercise has been completed.
- 2.34. Our focus is to continue to recruit and retain talent, by setting out the benefits of working for the council, providing good management, leadership and direction. Temperature checks and Investors in People Reviews will provide insight into areas

we need to address. Exit interviews and new starter surveys are undertaken to provide additional insight.

Community and Cohesion Impact (Tom Hook, Director of Policy and Participation)

- 2.35. Brexit represents a delicate balancing act for the council. Barking and Dagenham is a borough that voted to leave the EU (62.5% of voters). These voters may feel that a soft Brexit (e.g. retaining free movement of people) does not deliver on what they voted for, resulting in a loss of trust in democracy, effecting trust in the Council and voter turn out at future elections. There is also the belief that if a second referendum was held, this could lead to extremist views, as Leave voters could interpret this as a dismissal of their views.
- 2.36. However, we also want to communicate to the EU nationals who live in Barking and Dagenham and reassure them that they are welcome and valued in our borough. We will communicate with them about their rights to stay and try to overcome any perception of a hostile environment.
- 2.37. As part of the Connected Communities Programme and in preparation of the Cohesion Strategy, we have been analysing change in communities. Both this programme and the strategy deliver products that manage community tension and migration related issues and are therefore pre-emptive risk management strategies for community consequences of Brexit.
- 2.38. Current work includes a Place and Behaviour Change Project, providing
- Insights into changing community composition, including European nations, using Origins
 - Insight into community cohesion through quantitative and qualitative methods with insights on resentment around specific communities
 - Three interventions, designed in response to emerging need and research - possibly focused on resolving issues of community cohesion in specific localities
- 2.39. Origins analysis shows that there have been significant increases in Romanian, Baltic (Lithuanian), Bulgarian and Polish communities in Barking and Dagenham. In 2011, the Eastern European adult population made up about 4% of the population. In 2018, this is 8%, showing a 100% increase in the size of the population. However, this figure could be higher as the School Census (2009-2015) shows a significant increase in primary school age children (4.5%). A map showing the distribution of Eastern European residents in Barking and Dagenham can be found in **Appendix One**, which could be used for a targeted communications approach.
- 2.40. The council has bid for further resource from MHCLG under the Controlling Migration Fund to specifically support regularisation of citizenship, and integration of Eastern European migrants. MHCLG were due to inform local authorities before Christmas with regard to this funding, however this has been delayed and so we are still waiting to hear the outcome. Excerpts of relevant activity are below in Box 1.

Box 1: Bid to MHCLG for further resource, of assistance in response to Brexit

Accelerating Regularisation and Citizenship

Taking a systems wide approach to prevention of crisis situations, we will accelerate migrant regularisation, settlement and citizenship locally through a collaboration between Community Solutions Universal Lifecycle (LBBD), BDCAB, and our faith communities.

This will be achieved through:

- Updating training for 120 frontline ComSol staff in early immigration advice
- Identifying those in need at earliest point of contact
- Service user journey mapping for NRPF clients (learning to be shared with Bexley) to understand what leads members of the community to present themselves as destitute and identify how immigration advice interventions at different points in the system could be a preventative of this.
- Employing one full time BDCAB Level 1 and Level 2 immigration advisor to ensure people do not fall out of status and make good initial applications to the home office
- Employing one part time (0.5FTE) Level 3 immigration advisor to deal with more complex cases
- Outreach to faith groups, building a team of 20 Residency Advisors to improve quality of community advice and quality of applications to the Home Office, intervening before families reach a state of destitution
- Outreach to migrant staff working in frontline care, to prevent falling out of status and loss of staff
- Working collaboratively, new advice and referral pathways will be developed between Community Solutions, our single front door, and BDCAB.
- For those who have leave to remain, our community residency/settlement advisors will work with the Community Solutions Universal Lifecycle team to support those with Leave to Remain to practice and complete the 'Life in the UK' citizenship course, available for free in our libraries.

Wider Eastern European Outreach

Eastern European Resource Centre will principally deliver an outreach project to build bridge-networks with and between different communities locally. This work will take three phases:

- General community outreach through churches, deli shops, Saturday schools, and digital channels.
- Discovering 'hidden' exploitation of staff in nail bars, brothels, labourers waiting outside Wickes. Where mapping work discovers Albanian communities in need, referrals will pass back to Shpresa for support and advocacy.
- Advice and guidance on a variety of challenges including regularising settled status, exploitation in work; modern slavery; domestic violence; worklessness, employment vulnerability, precarious housing and homelessness. Specialist resource will also be used to support families affected by the PRS strand providing language-based support to residents dealing with difficult landlord situations.

2.41. Where communications with the community are required the team have established relationships with VSCE partners which could be used for messaging when needed. These would sit alongside the broader community communications strategy of the council.

2.42. With regard to the community tensions that might emerge the communications strategy of the council and the community tension monitoring arrangements would be key in supporting the management of community issues.

Capital (Graeme Cooke, Director of Inclusive Growth)

2.43. The council has a very significant capital investment programme – over £700m over the next five years via Be First to support a programme of building around 2,700 new homes and a c.£30m a year capital investment programme to maintain and improve the council's existing stock of 17,000 homes.

2.44. The key risks arising from Brexit in relation to our programme of capital investment are:

- Labour shortages in the construction sector.
- Increased costs from imported materials (in the event of tariffs or customs delays)
- A wider economic slow-down hitting demand in the housing market, pushing up interest rates or weakening sterling.

The potential impacts of these risks would be to increase build costs and reduce housing demand (especially damaging if it slowed third party development, which generates significant income for the council such as from New Homes Bonus and Council Tax).

2.45. In response, it is challenging for Be First to analysis the potential scale of these risks as each development scheme is different and requires components from different countries (and Be First are only now in the process of signing construction contracts for key schemes).

2.46. However, Be First have been undertaking planning activity to give itself and the council the maximum level of preparedness possible, given all the uncertainties. This includes:

- Allocating 5% of marks in its construction framework procurement exercise to how contractors were approaching the Brexit risk. This highlighted that some have done significant analysis through their supply chains to analyse where product is sourced and where alternatives might come from.
- Exploring how the company could allow contractors to stockpile product to ensure continuity of supply.
- Assessing the likelihood of labour shortages, revealing that this is probably a limited short-term risk as EU workers already here are likely to stay. The harder to forecast risk is what impact Brexit will have on the future supply of labour from the EU.

In summary, the big risks from Be First's perspective is disruption to supply, which it is helping mitigate, and increased costs, which is very difficult to avoid.

2.47. It should be noted that Be First's own development programme is significantly protected from the broader economic risks associated with Brexit given its use of council land and finance and given that its core residential product is pitched to the discounted sector of the housing market (though there could be greater resistance to leaseholders selling back to the council if prices are fluctuating).

2.48. There are also some opportunities for LBBD/Be First in a falling market, given the scope to act counter-cyclically (for instance investing in the land market when demand is low).

Elections

2.49. Given the uncertain and fluid political situation at the time of writing this report, there is the potential for a number of elections to be held in the next 6 to 12 months - a general election, if Theresa May were to lose a vote of no confidence, a second referendum or a European Parliament election in May 2019, if Article 50 is extended.

2.50. It is anticipated that a general election would have a minimum of 6 weeks' notice and that a second referendum would have a minimum of 7 months' notice as this will require legislation to be passed through parliament and the ballot paper question to be agreed upon.

- 2.51. The European Parliament elections would take place on Thursday 23rd May 2019. If the UK leaves the EU on 29th March, as scheduled, the European Parliament elections would not take place. However, if Article 50 is extended beyond March, there may be a requirement to hold the election. The regulations requiring this election have not yet been revoked. Electoral Services are liaising with the Association of Electoral Administrators for advice on this potential outcome of current negotiations.
- 2.52. The Electoral Services team have a tried and tested project plan for any election, which can be updated and put into use at the time of a date for a general election or second referendum being announced or confirmation of extension of Article 50. As with during the previous snap general election, the Electoral Services team will pull in resources from other areas, including staff who support committees, to support delivery.
- 2.53. EU citizens living in the UK can currently vote in local government elections. Government guidance currently states that there will be no change to the rights and status of EU citizens living in the UK until 2021. It has raised questions about whether EU citizens will continue to be able to vote, where other nationals are excluded. Lawyers of Local Government (LLG) have called for specific advice on when EU nationals will cease to be eligible to vote if at all and what the position is regarding those eligible or applying for settled status.

3. Regional and National Preparations

EU Settlement Scheme Grant Funding

- 3.1. The Home Office has made £9 million of grant funding available to voluntary and community sector (VCS) organisations to help vulnerable or at-risk EU citizens needing additional support when applying for the EU Settlement Scheme. The Home Office aims to create a network of funded organisations to ensure that a range of services are mobilised across the UK, so that support and assistance is available to those who require it. There are two levels of funding available (Level One £5,000 to £39,999 and Level Two £40,000 to £750,000). The application period for bids closes at 12pm on 1st February 2019. BDCVS has shared this funding opportunity for local CVS organisations.

Central Government Funding

- 3.2. A £35m fund allocated to the Ministry of Housing, Communities and Local Government (MHCLG) will be distributed among councils to help them prepare for Brexit. The funding is for 2019-20 and it is to be specifically used for core Brexit activity including deal and no deal preparations. MHCLG will shortly announce the allocation of this funding.

Ministerial Brexit & Local Government Delivery Board

- 3.3. The Ministerial Brexit & Local Government Delivery Board provides a forum for national and local government representatives to discuss the preparedness of councils for the UK's exit from the EU. It comprises of representatives from the LGA, County Council Network, District Council Network, London Council and the Core Cities who meet with ministers from MHCLG, Department for Exiting the EU (DExEU), Department for Business, Energy, Industrial Strategy (BEIS) and the Cabinet Office.

Pan-London Coordination

- 3.4. London Councils is actively engaging with the Government, Mayor of London and LGA to ensure that London's particular needs in relation to leaving the EU are heard. The Chair of London Councils and the London Councils Executive Member for Business, Europe and Good Growth sit on the MHCLG Ministerial Brexit & Local Government Delivery Board.
- 3.5. They are also working closely with boroughs and relevant professional networks to co-ordinate pan-London preparation activity and promote the exchange of local insight and intelligence. Each borough has nominated an officer as point of contact for communication and reports in relation to Brexit. Barking and Dagenham's point of contact officer is Tom Hook, Director of Policy and Participation. The nominated officer will be asked to provide information and intelligence at regular intervals to contribute to the London-wide assessments of any developing impacts. A call for information went out in January 2019 and a report showing the initial feedback will be presented to London Council's Executive, of which Cllr Rodwell is a member, in February 2019.
- 3.6. A report is also due at the London Council's Executive meeting in February 2019, which details the costs relating to Brexit preparations, including direct, quantifiable costs to each council incurred or anticipated and the types of cost pressure they think might arise.
- 3.7. London Councils continues to support borough Heads of Communications in relation to communicating with the public on settled status and has facilitated engagement between the network and the Home Office. The Home Office has produced a suite of material for stakeholders to distribute to EU citizens in their network, which aim to raise awareness of the EU Settlement Scheme and what EU citizens need to know and do.

4. Next Steps

- 4.1. This report outlines the Council's initial assessment of impact. However, as there remains much uncertainty about the nature of the UK's exit from the EU, it will be important to regularly review this assessment as further clarity emerges, to keep up-to-date with Government announcements, and to work with regional partners to minimise risks to Barking and Dagenham.
- 4.2. A risk log will be created of the key risks associated with the UK leaving the EU, with each risk RAG rated (based on likelihood and impact) with mitigating actions to be monitored. This risk log will be updated on a fortnightly basis by the Leadership Group.

Appendix 1: Distribution of Eastern European Residents 2018

Distribution of Eastern European Residents 2018 London Borough of Barking and Dagenham

