



**Oversight and Governance**

Chief Executive's Department  
Plymouth City Council  
Ballard House  
Plymouth PL1 3BJ

Please ask for Helen Prendergast,  
Democratic Advisor  
T 01752 305155  
E [democraticsupport@plymouth.gov.uk](mailto:democraticsupport@plymouth.gov.uk)  
[www.plymouth.gov.uk](http://www.plymouth.gov.uk)  
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## **Brexit, Infrastructure and Legislative Change Overview and Scrutiny Committee Supplement Pack**

Wednesday 9 January 2019

2pm

Warspite Room, Council House

**Members:**

Councillor Morris, Chair

Councillor Fletcher, Vice Chair

Councillors Buchan, Carson, Churchill, Cook, Mavin, Stevens and Wheeler.

Please find attached additional information for your consideration under agenda item 5.

For further information on attending Council meetings and how to engage in the democratic process please follow this link - [Get Involved](#)

**Tracey Lee**

Chief Executive

# **Brexit, Infrastructure and Legislative Change Overview and Scrutiny Committee**

**5. Emergency Planning**

**(Pages 1 - 18)**

**PLYMOUTH CITY COUNCIL**

<b>Subject:</b>	Planning for a No Deal Brexit
<b>Committee:</b>	Brexit, Infrastructure and Legislation Change Overview and Scrutiny Committee
<b>Date:</b>	9 January 2019
<b>Cabinet Member:</b>	Councillor Evans, Leader
<b>CMT Member:</b>	Giles Perritt, Assistant Chief Executive
<b>Author:</b>	Kevin McKenzie, Policy Advisor
<b>Contact details</b>	T: 01752 304318 E: kevin.mckenzie@plymouth.gov.uk
<b>Ref:</b>	BIL/001/19
<b>Key Decision:</b>	No
<b>Part:</b>	I

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**Purpose of the report:**

This report sets out Plymouth City Council's approach to planning for a No Deal Brexit. It identifies the context in which this possibility arises and sets out the issues which could potentially need to be addressed; either through emergency planning procedures, or, where risks are known and can be mitigated, through our normal process of risk management.

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**Corporate Plan**

Our corporate values commit us to being democratic. In the context of Brexit we must therefore be respectful of the expressed wishes of a clear majority of our community. We are also committed to being responsible for our actions and caring about the impacts they have on others, we must therefore plan to make our best endeavours to mitigate any negative effects that flow from that decision. We want also to be fair, to treat everyone with respect and to create opportunities, so our concern must extend to our EU residents. Lastly we are a cooperative council committed to working together with all our stakeholders to serve the best interests of our city and all its communities.

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**Implications for Medium Term Financial Plan and Resource Implications:****Including finance, human, IT and land**

The financial impacts of a No deal Brexit are identified as a risk within the paper. However the Brexit, Infrastructure and Legislative Committee can only recommend action to Cabinet, there are therefore no financial implications to note in relation to this paper.

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**Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

The potential for community tensions to escalate is among the possible impacts identified in the paper.

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**Equality and Diversity**

Has an Equality Impact Assessment been undertaken? No - as no decision is being taken on which to base one.

**Recommendations and Reasons for recommended action:**

Members of the panel are asked to note the report.

**Alternative options considered and rejected:**

None.

**Published work / information:**

**Background papers:**

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	

**Sign off: N/A**

Fin		Leg		Mon Off		HR		Assets		IT		Strat Proc	
Originating SMT Member N/A													
Has the Cabinet Member(s) agreed the contents of the report? The view of the Leader has been sought in his capacity as the relevant Portfolio holder.													

## CONTEXT

The withdrawal agreement the UK Government has negotiated with the European Union will be subject to a 'meaningful vote' in Parliament in the week commencing 14 January 2019. At the current time it seems likely that Parliament will vote to reject the agreement. The default position if we have not agreed a deal with the European Union is that we will leave without a deal in place on the 29 March 2019.

Changing this position would probably require either a General Election or a second referendum. Neither process is guaranteed to deliver an alternative arrangement and there will be very significant time pressure to agree anything before 29 March. The EU does have it within its gift to extend the Article 50 negotiations but should it refuse the UK could withdraw notice unilaterally as confirmed by the ECJ last week.

## NO DEAL PLANNING

We have commenced planning for no deal in two parallel work streams:-

**Civil contingencies planning:-** led by the Civil Protection Unit (Emergency Planning) and co-ordinated across the sub-region by the Local Resilience Forum. Primarily focussed on potential immediate impacts of leaving the EU, e.g. :-

Disruption of supplies and services:-

- medicine/medical supplies
- food, including animal feed
- fuel supply
- impact on staffing (EU Nationals)
- surges in demand
- other supply chain stock shortages or a reduction of a flow in goods or a reduction in choice.

Travel - possible traffic disruption on major routes or at specific locations.

Borders - possible passenger/freight delays at airports or seaports.

Information and Data Sharing:- disruption in the flow of personal data.

Demonstrations and Disorder:- increased activity of public gatherings and/or public disorder.

Community Tensions: conflict related crimes and community impact assessments.

Business Continuity Issues relating to the above.

**Implementation planning:-** led by the Policy and Intelligence team aimed at developing the Council's proactive response to identified risk

Information, Advice and Guidance

- Promotion and support of settlement scheme, response to NRPf issues arising in no deal situation.
- How to minimise impact of information requests on frontline services, e.g. timing of messaging, signposting of online resources, scripting for telephone enquiries.
- Service capacity in most affected areas, e.g. Environmental Health, Trading Standards, Economic Development – Investment team.

Economic Shock

- Treasury and BoE forecasts:- recession, inflation unemployment, sterling value, and interest rates.
- Impacts on the Port:- Customs, need to conduct Import/Export checks on food and animal products, not designated or a BIP.

- Supply Chains:- critical vulnerabilities, food, water and medicines, business resilience, our own/partner supply chains, e.g. wheelie bins, etc.
- Labour market impacts – care sector, manufacturing, hospitality and construction.

### Community Cohesion

- Food security – Panic buying, goods produced in EU in short supply, rising prices.
- Medicines and other critical supplies – insulin and other life preserving drugs in short supply, poor quality drinking water and untreated sewage.
- Civil disobedience – disturbances in supermarkets, large scale protests, local resources called to respond in London and South East.

## **RECOMMENDATIONS**

Members to note the report and Council preparations for a no deal scenario.

# Brexit



Are we as well prepared as possible?

# Brexit Timeline



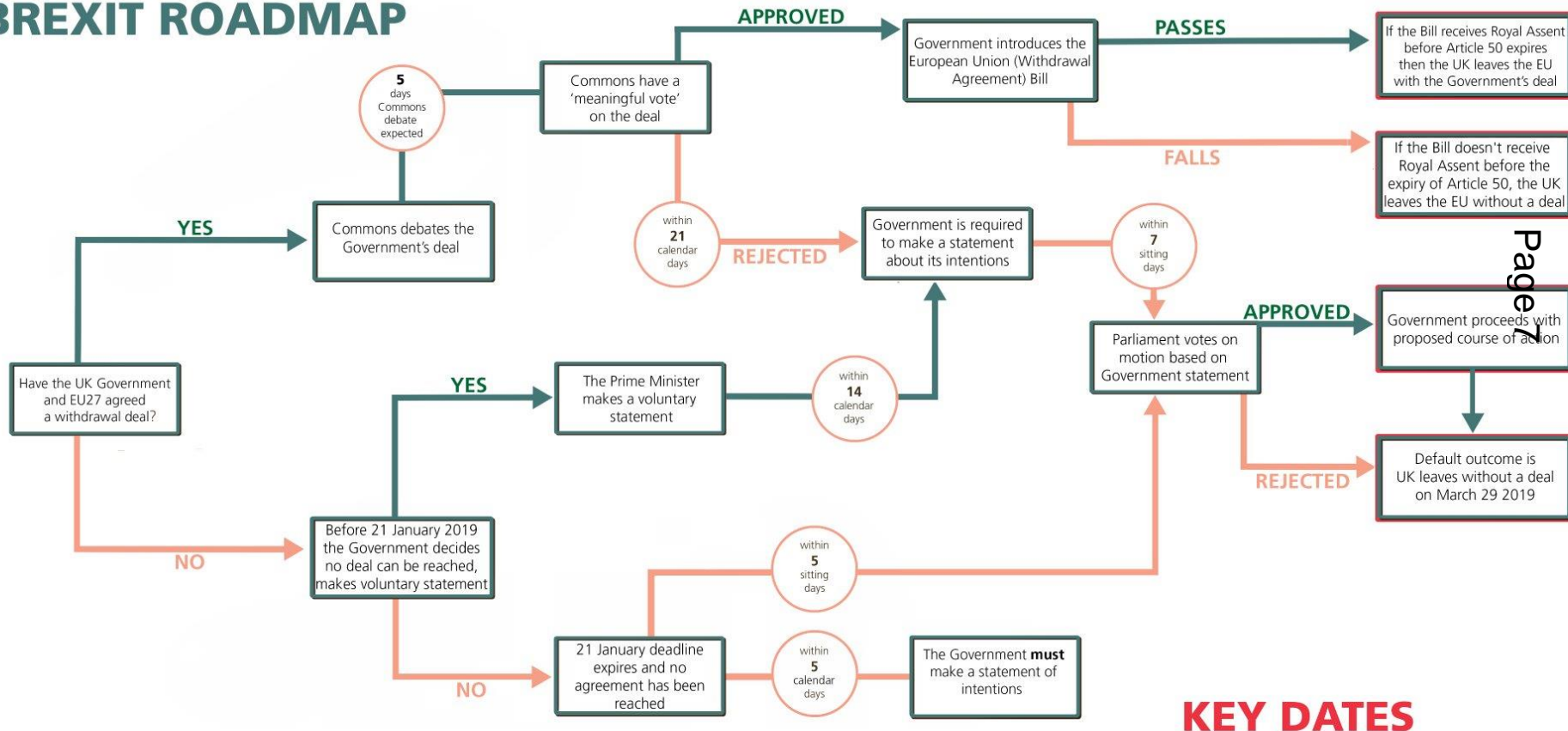
- 26 November 2018 – summit of EU Council signed off withdrawal agreement and political framework.
- 11 December 2018 – Following 4 days of debate meaningful vote postponed. Now rescheduled for 15 January 2019
- 22 January 2019 – If no deal agreed UK gov't must present alternative plan.
- March 29 2019 (11.00 pm) – the UK will leave the EU.
- December 2020 – trade agreement with EU concluded and implementation period ends.



# Brexit Road Map



## BREXIT ROADMAP



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## KEY DATES



# Westminster Obstacles

- The DUP have said they will not support the deal with the backstop.
- The EU will not remove it.
- 117 MPs voted no confidence in the PM.

Withdrawal Deal  
Estimated maximum @ 230

- Labour, the SNP, the Lib Dems, Plaid Cymru and the Greens have said they will oppose the deal.
- They also have rebels, but nowhere near enough to provide a majority. (15-30)


Withdrawal Deal  
Estimated minimum @ 293

# Brexit tube map



PLYMOUTH  
CITY COUNCIL

## Brexit Planner DRAFT

 Milestones

 General election

 EU Referendum

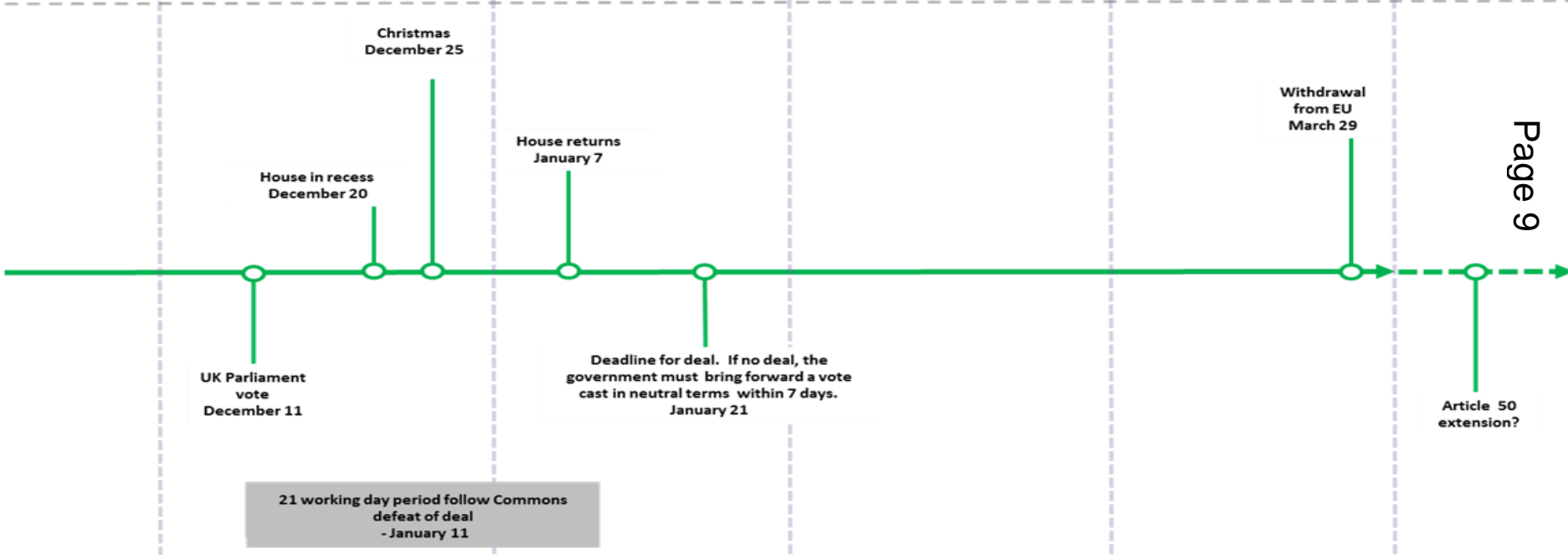
November

December

January

February

March



# Breaking the deadlock – General Election



## General Election

A general election is most likely to deliver another hung parliament.

### Current Prediction: Conservative short 40 of majority

Party	2017 Votes	2017 Seats	Pred Votes	Pred Seats
CON	43.5%	318	39.0%	<b>286</b>
LAB	41.0%	262	39.6%	<b>284</b>
LIB	7.6%	12	8.2%	<b>16</b>
UKIP	1.9%	0	3.6%	<b>0</b>
Green	1.7%	1	2.3%	<b>1</b>
SNP	3.1%	35	3.3%	<b>42</b>
PlaidC	0.5%	4	0.5%	<b>3</b>
Minor	0.7%	0	3.5%	<b>0</b>
N.Ire		18		<b>18</b>

Prediction based on opinion polls from 20 Oct 2018 to 27 Nov 2018, sampling 26,990 people.

**Health warning** – pollsters have been more often wrong than right in recent elections.

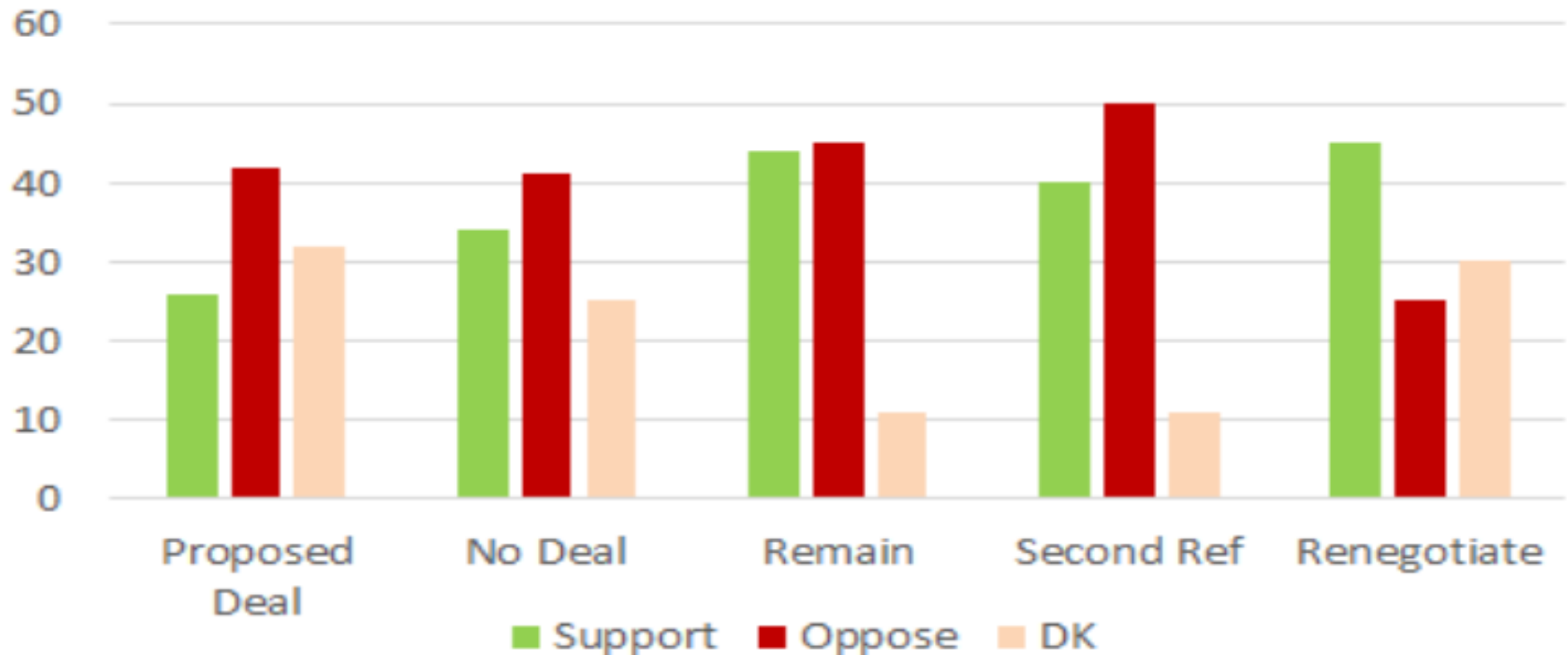
# Breaking the deadlock – People’s Vote



## People’s vote

The people are against every possible outcome – unless the EU change their minds on renegotiating.

ComRes/Express poll on Brexit outcomes



# The Withdrawal Agreement



The withdrawal agreement sets out.....

- The end of free movement and the future status of EU/UK citizens.
- Financial arrangements until December 2020 including “divorce bill.”
- An implementation/transition period which can extend until 2022.
- The backstop position on the Irish Border and arrangements for leaving it.
- An “in principal” commitment to a tariff free trade agreement.
- Status of UK financial institutions.
- Security co-operation measures.
- Governance arrangements to apply during the transition period.

# Corporate work



- Corporate Brexit risk and opportunities register
- City leaders, Cabinet and Council Directors – quarterly update
- Overview and Scrutiny and Select Committee
- Regional engagement work – Local Enterprise Partnership and Peninsula
- Chief Executive attending Ministry of Housing, Communities and Local Government sector advisory panel
- Attending local and regional events
- Brexit Officer Working Group
- Government Borders Group
- Settlement Scheme
- Officer business continuity workshops

# Corporate risks and opportunities



- EU Withdrawal Act – weakened statutory base, new burdens and opportunities
- Labour Market – skills and knock on costs
- Foreign Direct Investment – manufacturing capacity eroded/ impact on local economy
- Connectivity – poor links with the rest of the UK, limited potential to benefit from global trade and port issues
- Higher Education – research funding, international students and academics
- Cohesion/Brand Image – Brexit seen as an anti- foreigner movement and civil disturbance



# No deal risks



- **Information, Advice and Guidance**
- Promotion and support of settlement scheme, response to NRPF issues arising in no deal situation.
- How to ensure effective information, advice and guidance from frontline services, e.g. timing of messaging, signposting of online resources, scripting for telephone enquiries.
- Service capacity in most affected areas, e.g. Environmental Health, Trading Standards, Economic Development – Investment team.

# No deal risks



## ■ **Economic Shock**

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