

REPORT TO:	CABINET 19 SEPTEMBER 2019
SUBJECT:	BREXIT NO DEAL PREPAREDNESS
LEAD OFFICER:	JO NEGRINI - CHIEF EXECUTIVE OFFICER
CABINET MEMBER:	COUNCILLOR TONY NEWMAN, LEADER OF THE COUNCIL
WARDS:	ALL
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</p> <p>The impacts from Brexit are expected to have an influence across all of society. Preparations for Brexit therefore, are expected to have an impact to some degree across all priorities in the Corporate Plan. For instance, the Council is implementing measures as a corporate parent to ensure Looked After Children who are EU nationals submit applications for the EU Settlement Scheme which comes under the priority to ensure “Children and young people thrive and reach their full potential.”</p> <p>The priorities with the most reference likely are:</p> <ul style="list-style-type: none"> - Business moves here and invests, our existing businesses grow - People Live long, healthy, happy and independent lives - Our children and young people thrive and reach their full potential - Everyone feels safer in their street, neighbourhood and home 	
<p>FINANCIAL IMPACT:</p> <p>The MHCLG have allocated all London Boroughs £315k for Brexit preparations. There are no direct financial implications arising from the recommendations in this report however, there remains continued uncertainty regarding the financial impact of Brexit, including the impact on the local government funding settlement in the long-term.</p>	
<p>KEY DECISION REFERENCE NO.: N/A</p>	
<p>The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below.</p> <p>1. RECOMMENDATIONS</p> <p>The Cabinet is recommended to:</p> <p>1.1 Note the measures in place to mitigate the risks emerging from our exit from the EU including the Brexit Board, ongoing communications with partners and appointment of a Brexit lead.</p> <p>1.2 Note that Brexit preparations have been affected by the lack of clarity over the nature of Brexit, its scale and its timing.</p>	

2. EXECUTIVE SUMMARY

- 2.1 This report provides a summary of Brexit preparations to date in Croydon and outlines ongoing actions to prepare for the UK's departure from the European Union. The report follows the December 2018 Cabinet Report on ["Brexit Preparations for Croydon."](#)
- 2.2 The UK is set to leave the European Union on the 31st October 2019, however there is a lack of clarity over the nature of our departure. All options remain a possibility to the UK. To prepare effectively, the Council has therefore worked on the assumption of a 'no deal' scenario, recognising that this would present the most change and uncertainty.
- 2.3 With recent changes to the political environment and the approach of the newest deadline it is becoming increasingly likely that a hard Brexit solution to the UK leaving the European Union will occur on October 31st. As a result of this development this report has been produced to detail our Brexit preparations to date, as well as that of some of the Council's key partners.
- 2.4 Due to the inexact nature of Brexit, the Council has introduced several measures across key services to ensure the Council, and more importantly our residents, are as prepared as possible.
- 2.5 A summary of key actions follows:
- Production of the December 2018 Cabinet Report on "Brexit Preparations for Croydon" which provided an overview on the implications of Brexit on Croydon, informed the Council's approach to managing Brexit and provided a formal Council response;
 - Creation of a comprehensive Brexit Action Plan (in Appendix) responding to numerous concerns, across several key service areas;
 - Regular communications with central government departments including MHCLG and the Home Office to share feedback and guidance;
 - Arrangement of regular Brexit Board meetings attended by senior staff from across the Council;
 - Regular updates to members of the Executive Leadership Team and Councillors;
 - The appointment of the Executive Director of Resources as the Council's Brexit lead to manage preparations,
 - Communications for internal staff offering guidance on how to prepare for Brexit;
 - External communications for residents, businesses and organisations including webpages that offer assistance, critical information and signposting to further support;
 - Inclusion of Brexit as a corporate risk entry on the risk register since 2017;
 - Regular communication with key partners about their issues, actions and preparations including the police, Croydon Health Services NHS Trust, NHS Croydon Clinical Commissioning Group (CCG) , Voluntary and Community Sector (VCS) groups via the local strategic partnership, local businesses and residents.

2.6 These measures have enabled the Council to take proactive steps to manage and monitor risks identified. Key actions have taken place relating to the following areas:

- EU Settlement Scheme
- Finance, Commissioning and Procurement
- Workforce
- Communications
- Economy
- Community Safety
- Regulatory Services
- Business Continuity

Sections 4 - 12 outline these actions in detail.

2.7 Section 13 summarises the work of key partners including Croydon Health Services NHS Trust (CHS) and the police. The Council recognises that Brexit presents hugely complex challenges that will require effective collaboration with our partners including those mentioned above, providers, businesses, the voluntary and community sector and faith organisations.

3. Background

3.1 The UK's proposed exit from the European Union on 31st October 2019 has repercussions that will have an influence all across our society. For local authorities, major implications have been identified in relation to areas such as budgets, procedures, community cohesion, local economies and workforce.

3.2 There is however, little clarity over the scale and timing of these implications not least because it is unclear under what circumstances Brexit will be carried out.

3.3 This uncertainty is magnified by further vagueness elsewhere. Financially the Council has only just received confirmation from central government of its budget for the financial year starting April 2020. Central Government has not provided clarity on the Council's budget beyond this. It is difficult therefore to effectively plan for any emerging issues from Brexit when we do not know what resources are available to us in the medium to long term. .

3.4 Central government have so far allocated a total of approximately £40million to Local Councils across the country support their Brexit plans. Councils received £20 million financial year 2018 to 2019, £20 million in 2019 to 2020 to spend on planning and strengthening their resources.

3.5 In August 2019 Ministry of Housing, Communities and Local Government announced they were increasing the allocation for the financial year 2020 to 2021 from £10m to £20m. As a result, Croydon will be receiving £105,000 for 2020 to 2021 financial year. The amount allocated to Croydon Council will be utilised to boost our Brexit preparations and support all those within the borough.

- 3.6 Additional funding of an extra £9m has since been announced to support areas in their Brexit preparations (£5m to be allocated to areas with major ports). It is unknown how much, if any of the remaining £4m Croydon will receive at this time of writing.

Measures that have been put in place to prepare effectively

- 3.7 Brexit has been included on our Corporate risk Register since 2017. The Council maintains and regularly reviews this risk register to ensure we are monitoring and planning for potential issues that may impact on the Council's ability to deliver services, financial position or reputation.
- 3.8 As of September 4th at 09:30am the Corporate Risk Register Entry details that the impact of Brexit will be severe with a score of 5/5 and is very likely with a score of 4/5. The risk register provides a summary of the issues that the Council needs to consider. These issues and resultant Council actions are outlined in detail after this section. Whilst it recognises that the results of the Brexit negotiations are outside of our control, the Council will need to react to the issues that arise to minimise any negative consequences of our exit from the EU.
- 3.9 Early on in our preparations, key areas were identified for review including the local economy, workforce and employment, finance and procurement, and community safety and cohesion.
- 3.10 Each of these areas have been captured in the development of a comprehensive action plan to mitigate the identified risks. The action plan is a live business document that is regularly scrutinised and updated by the Brexit Board, in line with our partner's priorities and with announcements from central government.
- 3.11 The Brexit Board, chaired by the Council's Director of Economic Growth meets regularly since its implementation in January 2019. The primary purpose of the board is to ensure all relevant services have oversight on key Brexit preparations; that we are working collaboratively to address key issues, and that information sharing processes are in place. The activities resulting from the action plan are accountable to the Cabinet, and the Council's Executive Leadership team.

EU Funding

- 3.12 The EU is currently one of the biggest financial contributors to local and regional economic development across the UK. In the 2014-20 spending round, London alone is set to receive €745.4 million from the European Regional Development Fund (ERDF) and the European Social Fund (ESF).
- 3.13 After the UK leaves the EU, it will no longer receive the structural funding that makes up the ERDF and ESF. The Government plans to create a long-term replacement for this funding through the creation of a UK Shared Prosperity Fund (SPF), however despite the notion of this fund first being mentioned in the Conservatives 2017 manifesto, much of the detail is still to be worked out. Currently, European funding is targeted at the most deprived and least prosperous regions of the country, and there is concern as to how much

funding will be made available through the SPF and how it will be distributed across the country. Furthermore, it is not clear what types of activity the SPF will fund leading to the risk that some areas and activities which rely heavily on EU funding, will be left significantly underfunded.

- 3.14 Croydon benefits significantly from EU funding through initiatives such as the Work and Health Programme and the Energies prong Demonstrator Project, as well as other EU funded programmes delivered in the borough such as “Start Ups in London Libraries” and “Work Route Families”.
- 3.15 Whilst the government has made a commitment to underwrite the UK’s allocation for structural and investment fund projects under the current EU budget period to 2020 in the event of a no-deal, the uncertainty over replacement funding beyond this period is a concern.
- 3.16 The spending round 2019, announced in September, stated that “In the event the UK leaves the EU without a deal, the government has also guaranteed funding for UK organisations in receipt of money from EU programmes, if required.” Whilst promising news, it is unclear where the Government will be “required” to do so.
- 3.17 The following sections summarise the work the Council has carried out to date in preparation for 31st October 2019.

4. EU Settlement Scheme

- 4.1 The EU Settlement Scheme (EUSS) was opened on 30th March 2019 and enables EU, European Economic Area (EEA) or Swiss citizen’s residing in the UK to apply for settled or pre-settled status. Acquiring this status allows these citizens to attain the right to continue living and working in the UK following Brexit. Individuals who fail to apply for this who are EU, EEA or Swiss citizens will be in danger of losing their right to stay and work in the UK.
- 4.2 Settled Status is achieved if the applicant resided in the UK before 31st September 2020 and has lived in the UK for a continuous 5-year period. Pre-settled status is achieved if the applicant resided in the UK before 31st September 2020 but has not lived in the UK for a continuous 5-year period (they can go on to achieve settled status once they have lived continuously in the UK for 5 years).
- 4.3 According to 2018 data from the Office of National Statistics 33,000 (8.5% of total population) of Croydon’s population identified as EU nationals and would therefore, have to apply for settled/pre-settled status under the EUSS. Communications to raise awareness on the EUSS and the support in place are outlined in point 4.8.
- 4.4 Statistics published by the Home Office covering August 28th 2018 – June 30th state that 11,010 applications have been made in the Croydon region (approximately 33% EU nationals in Croydon). 4.5 If the UK leaves the EU without a deal the deadline for applying for the EUSS is December 2020. Should we leave the EU with a deal then this deadline is extended to June

2021. Individuals need a valid ID to apply and can send an application via an app, post and online.

- 4.5 A verified ID is needed to complete an application. Individuals can verify their ID through Android or tablet, online or in person at a location that offers ID document scanning.
- 4.6 Croydon has put in place measures to become an ID document scanning location to verify the ID of those who struggle via alternative methods or need face-to-face support. To take advantage of this individuals must book appointments beforehand at Croydon Register Office. This service is free to use for all and has been in place since June 1st. It has so far supported 80 people in their applications. It is expected that this number will rise as the Brexit date approaches and as we approach the final deadline to apply for pre-settled/settled status (earliest date being December 2020).
- 4.7 To ensure the service to support ID verification and the EUSS itself is known about the Council has promoted the service externally via the [Council website](#) and internally via the intranet. Members of the Brexit Board are constantly reviewing the situation as Brexit develops and will look to increase promotion where appropriate. Croydon is in process of attaining information materials including posters and fact sheers from the Home Office to be distributed across locations to promote the settlement scheme and our support.
- 4.8 The Council will continue promoting the scheme on its website and is committed to continuing to raise awareness and offer guidance and support until the deadline.

Looked After Children

- 4.9 As a Council we have a duty as a corporate parent to ensure that Looked After Children (LAC) and care leavers, who are EU/EEA nationals, have applied for and attained EU settled/pre-settled status as part of the EUSS.
- 4.10 The Council has identified that 34 of our LAC are EEA Nationals of which we hold parental responsibility for 20 of them. A further 9 care leavers have also been found to be EU nationals. All social workers and managers have been made aware that EUSS applications needs to be made on behalf of LAC who are EU/EEA nationals. Several of these applications have already been completed.
- 4.11 The Council will continue to support LAC and Care Leavers who are affected by the implications of Brexit. Discussion is ongoing between relevant services and the Brexit Board to ensure the EUSS is effectively promoted and LAC and Care Leavers affected are given the appropriate level of support and guidance.

5. Finance, Commissioning and Procurement

Procurement

- 5.1 A key risk identified within the last report for the Council is the potential threat of supply chain failure due to factors such as the availability of workforce and increases in working costs.
- 5.2 The Council procures services which have a total value of approximately £500m per annum. Increases to costs as a result of Brexit across several suppliers could have a considerable impact on the size of the Council's spending. The Council's Brexit action plan has highlighted key risks on Brexit and a potential no-deal Brexit, which are outlined below:-
- Advertising and awarding of Contracts
 - Currency fluctuation
 - Delays at customs
 - Settled status for workers
 - Staff shortages in adult and social care sector
 - Fluctuations in market conditions

Listed below is an update on the risks that have been identified and the mitigations that have been identified. The Council is proactively working to manage these risks, including supporting the supply chain.

Advertising and awarding of Contracts

- 5.3 Post Brexit, all contract opportunities that would currently be posted on Official Journal of the European Union/Tenders Electronic Daily (OJEU/TED) platforms would be need to be advertised on a new UK-specific e-notification system. Delays and costs may increase during major procurement exercises if access is lost to EU system or existing portal systems may require adjusting.
- 5.4 The Cabinet Office has published guidance on what will happen post Brexit. If the UK leaves the EU with no deal in place regarding future arrangements on access to OJEU/TED, a replacement UK-specific e-notification service will be made available. Changes to the procurement rules will be made via amendments to existing legislation, to ensure continued operability. The Council will use this specific service when it would be available but at the time of this report no further information has been provided.
- 5.5 For procurements that have commenced **before** the UK leaves the EU (for example, they have been advertised in the OJEU already), contracting authorities(the Council) will need to comply with the new regulations from that point, for example by posting subsequent contract award notices on the new UK eNotification service instead of OJEU/TED. However, the effect of the former rules will be preserved in some circumstances to maintain fairness throughout the procurement.
- 5.6 Any procurements that start **after** the UK leaves the EU will need to follow the amended regulations.

Currency fluctuation

- 5.7 A risk of a no-deal Brexit could mean a fall in the value of the UK pound resulting in higher costs for purchasing goods.
- 5.8 Suppliers are thus being encouraged to purchase as much currency in advance as possible to reduce the impact of a devaluation of the pound.

Delays at customs

- 5.9 Once the UK exits the EU there is a possibility that we will not have access to the common market, and trade between the EU and the UK will become more complicated. This is expected to have an impact on imported goods from outside the EU also.
- 5.10 Suppliers have therefore been asked to hold 6 to 12 weeks of stock and hold extra material if manufacturing in the UK.

Staff shortages in adult and social care sector

- 5.11 This has been identified nationally as an issue in the result of Brexit. A Department of Health and Social Care report warns that there could be a shortage nationally of 28,000 care staff in a worst case scenario. This would heavily impact the Councils children's, adults and health contracts. 13% of posts filled by the largest agency are held by EU nationals.
- 5.12 The Council are in regular contact with its Providers requesting updates on their Brexit plans and this will continue over the next 3 months.

Fluctuations in market conditions

- 5.13 Certain sectors have a tendency to request an annual price increase due to fluctuations in market conditions. To date the Council has identified its construction, transport and IT contracts as potential sectors affected.
- 5.14 The Council is in regular contact with its providers requesting updates on any price increases and will continue to do this over the coming months. No increased costs have been identified at present

6. Workforce

- 6.1 In a [joint report agreeing on the rights of EU citizens](#) the government states that it intends to preserve their rights to live, work or get benefits in the UK. Family members living lawfully with their EU citizen relatives are also protected.
- 6.2 A Greater London Authority (GLA) report on the "[Potential Impacts of Immigration Policies Based on Skills and Salary Thresholds in London](#)" indicates approximately 14% of jobs in London are held by people born in the rest of the EEA. Approximately 60% of these jobs held would not meet the proposed skills and salary criteria set by government in their post-Brexit immigration policy. This presents recruitment challenges to employers as they may have a smaller pool of potential staff to select from.

- 6.3 Communications have been put out to all Council staff reminding them that they are valued by the Council and giving information about the EUSS. It is not clear precisely how many council staff hold EU nationality status however, staff have been encouraged to self-declare on HR systems.
- 6.4 All new starters to the council are given information about the EUSS and the importance of taking steps to register their status. Managers within certain strategically significant or high-risk areas such as Children's Social Care have been asked to consider the staff impact of Brexit on their service.
- 6.5 The Council currently possess national identity data for 64% of its staff according to figures from the HR Service Centre. Of these 54 (1.5%) of all staff have a European nationality recorded for them. Of the European nationalities reported the highest numbers were in Place (30%) and Children's (22%) and Resources (22%). The Council is looking at further ways to get a more accurate idea of the potential impact of Brexit on its workforce and discussions will continue within the Brexit Board on this issue.
- 6.6 In the December 2018 Cabinet report "Brexit Preparations for Croydon" a recommendation was agreed by the Council to pay the EUSS application fee for Council employees earning less than £35,000 as well as their partners and children and to encourage contractors to do the same. The fee has since been removed meaning there is no longer a need to fund applications.
- 6.7 Going forward we will keep our activities under review, whilst being aware that any specific initiative has the potential to cause anxiety or concern within the workforce.

7. Communications

- 7.1 As Brexit is of national importance the Council recognises that it is critical to update residents, partners and businesses consistently as new information emerges.
- 7.2 Many of those affected may be hard to reach or vulnerable individuals. The council is supporting its EU residents, staff, and local businesses by ensuring they have access to help and the relevant Brexit-related information from the government during this unsettling time.
- 7.3 There are dedicated pages on the [council's website](#) and staff intranet, which provide up-to-date information from central government and also signpost to support available. We will continue to provide updates on further developments as they happen.
- 7.4 The Council is in constant communication with central government and will continue to offer their communication materials where available, this includes key information on the EUSS.
- 7.5 Communications have also been put in place internally to support Council staff who may be anxious about the impacts of Brexit. An E-mail inbox to handle

staff questions and offer advice on Brexit has been made available to support our workforce.

- 7.6 The Council is also considering an internal campaign focused on recruiting volunteers in the case of critical need and/or emergency post Brexit.

8. Economy

- 8.1 The council is committed to supporting our business community through the process of Brexit. A support package has been developed for businesses impacted by Brexit including signposting to toolkits on the Council's website. Croydon also will be the location for the GLA South London Growth Hub ensuring that Croydon businesses have preferential access to high quality business support.
- 8.2 Estimates for Brexit contained in the GLA's "Preparing for Brexit" report suggest that the more abrupt the UK's exit from the EU, the greater the negative impact on the London Economy, ranging from a loss of between 0.8% and 2.1 % in Gross value by 2030. Preparations have been made to monitor the economic landscape and take steps to ensure our local businesses are supported should an economic decline or recession occur.
- 8.3 The Council is regularly assessing health and potential impact of Brexit on the local economy. This is achieved through regular meetings with the Bank of England, Croydon Business Network and businesses to understand any impacts of Brexit that have occurred or are to come.
- 8.4 Croydon is proactively promoting further investment in the borough and encouraging trade. Several visits from international delegations have taken place including investors from Hunan Province China, Gujarat India and Xi'ian China. Further visits will take place in Q3 19/20.
- 8.5 Croydon is also taking proactive steps to make sure critical projects and developments including Growth Zone and Brick by Brick remain on track. The risk to these projects and programmes are reviewed monthly via current dashboard reporting mechanisms and reported to Place Director Leadership Team and Growth Board on a monthly/ bi-monthly basis. Any rising costs are escalated to the Executive Leadership Team as required.
- 8.6 Croydon is proactively supporting the business community by working in partnership with stakeholders like the Croydon Business Network to understand business needs on recruitment and then ensuring bespoke free recruitment support through Croydon Works.
- 8.7 It is important to note that Croydon's existing economy still remains more resilient than other areas, it is not reliant on large businesses as most of its business community are SMEs and although there would be an impact on smaller business if large headquarters start to leave the South East the impact would be less.
- 8.8 Croydon has the ability to quickly grasp new exporting opportunities and should take advantage of its diverse community and international links to enable this.

Croydon Council is proactively working through the business network to ensure that support, advice and guidance is available to businesses to assist them to expand their existing markets.

9. Community Safety

- 9.1 The Community team and partners have been working to capture a joint view of community tensions and manage the prospect of hate crime. Following Brexit, a spike in hate crime incidents was reported across the country. In Croydon racist hate crimes rose by 16% in the year of the referendum before returning to normal levels. There is a threat that similar may occur following our official exit on the 31st October.
- 9.2 The Community team has been working closely with key stakeholders including infrastructure groups and religious leaders within the borough to monitor tensions and take effective action as required.
- 9.3 The Safer Croydon Partnership launched an anti-hate crime pledge on the 13th July 2019, which can be signed by groups and/or individuals. The ultimate goal is to strengthen our community to make Croydon a safe and inclusive borough. Over 30 organisations and over 350 individuals have already signed up to the pledge. This number grows daily with further engagement.
- 9.4 The Safer Croydon Partnership will treat and respond to all hate crimes equally by working closely with our community safety partners and passing on specific details to the police.
- 9.5 A Hate Crime Action Plan has been developed through the Community Engagement and Confidence Programme Board which sits under the Safer Croydon Partnership. These actions are not focused around Brexit alone and will be completed both before and after we leave the EU, however the actions identified will notably mitigate many of the risks associated with hate crime in relation to Brexit. The intended outcomes of the action plan are to:
- Identify the priorities and concerns of local communities
 - Coordinate communications and engagement activity to deliver against the current strategic priorities
 - Build community cohesion and social integration with the communities and groups within Croydon borough
 - Training for professionals on having the confidence to be able to identify a hate crime
- 9.6 Actions completed and being carried out as part of the Hate Crime Action Plan include conducting an internal staff poll on what the level of understanding is around hate crime or incidents, holding engagement events to improve social integration, visiting places of worship/ religious leaders in the pre-Brexit run up to increase confidence in hard to reach communities, increasing awareness of online hate crime and providing guidance for those faith leaders who want to apply for central governments places of worship security funding.
- 9.7 A tension monitoring group made up of key partners and stakeholders has been put in place. The group has an agreed protocol for engagement when

there is a threat of community tensions following a local, national or international incident.

10. Regulatory Services

- 10.1 Brexit has significant implications for regulatory services across all areas. The prospect of exiting the EU means that central government is producing new regulations and guidance frequently. Though the Council regularly reviews central government communications for updates and guidance, there is a threat that changes communicated at a late stage in the Brexit process may lead to confusion or may be unclear.
- 10.2 The Council will continue to maintain effective oversight over any significant updates to regulatory services. The Council is particularly focusing on monitoring advice around food and consumer item risks and regulations, to ensure businesses can continue business as usual, and imports and exports suffer minimum delays. The Director of Public Realm attends the Brexit Board and is able to provide feedback on significant changes in these areas.

11. Business Continuity

- 11.1 The Resilience team has undertaken several actions to ensure critical Council and borough activities will continue following Brexit.
- 11.2 The team has been coordinating the Council's annual business continuity review since May 2019. This has included a full review of Business Impact Assessments (at Tier 3) and service Business Continuity Plans. Although not Brexit-specific, general considerations of service impacts under a general scenario is beneficial for services and the organisation. Services are being asked to consider their supply chain as part of the review process. Managers have been far more responsive and compliant to the 2019 review, which shows an embedding of the business continuity culture in the organisation.
- 11.3 The Resilience Manager continues to be engaged in London Resilience Group resilience activities on behalf of the Croydon Resilience Forum (CRF). Information has been limited since March, however a watching brief continues. In the interim, the Fuel Disruption Plan and Animal Disease Plan has been reviewed for Croydon as previously asked of borough resilience forums.
- 11.4 The CRF held a fuel disruption workshop in June 2019 with local stakeholders to aid thinking, and prompt review, of agency fuel disruption plans. Considerations in this type of event also benefit the possible wider impacts of Brexit, particularly in regard to multi-agency business continuity planning and collaborative working amongst resilience forum partners.
- 11.5 The Council and partners continue to maintain their generic emergency response plans to facilitate the response to different incident types, of which some maybe as a result of the exit of the EU (i.e. civil unrest). Civil disturbance and/ or food shortages will continue to be responded to as per standing emergency response and command and control arrangements.

- 11.6 In particular, Croydon Council's Fuel Disruption Plan has recently been reviewed (August 2019) following recommendations from the London Resilience Group. This plan outlines the Council's arrangements for coordination of activity during a fuel disruption event, including the operation of the Designated Filling Station and business continuity considerations.
- 11.7 Regional contingency planning updates are shared with forum partners when available and continues to be discussed at engagement meetings.

12. Data Protection

- 12.1 It is important that the Council monitors Brexit implications in relation to the impact on responsibilities around data protection. The vast majority of council services rely to some degree on recorded data and so their way of working may change to ensure compliancy with potential law changes post 31st October 2019.
- 12.2 The Council is reviewing guidance provided by the Information Commissioner's Office (ICO) to prepare for emerging risks and changes. The ICO has released information to guide preparations for various Brexit scenarios including no deal.
- 12.3 General Data Protection Regulation (GDPR) along with the Data Protection Act 2019, will form part of UK law, so whatever happens the Council will need to comply with it. There will likely be some revisions to the UK version of the GDPR, amending provisions referring to EU law and enforcement cooperation. However, the broad GDPR requirements will remain the same. As a result the Council will still need to comply with GDPR principles, rights and obligations.
- 12.4 The key actions that the Council, through the Brexit Board, is considering in respect of data protection are:
- A Review of privacy information and internal documentation to identify any details that will need updating to take into account the UK leaving the EU.
 - A review of data flows and identify where the Council transfers/receives data from the in/out of the UK to EEA/any country. The Council will need to consider what safeguards are required to both legally continue to process data and/or ensure its security.
- 12.5 If the EU makes a formal adequacy decision that the UK regime offers an adequate level of protection, there will be no need for specific safeguards. However, this is likely to be affected by deal/no deal and there may not be such a decision in place at the point of Brexit. The Council should be prepared to include standard contractual clauses, in appropriate contracts/processing agreements if no formal adequacy decision is in place at the time of Brexit.
- 12.6 Failure to consider where the information we receive comes from and where we transfer the personal data to could mean that the Council loses access to the personal data needed to operate and organisational partners may choose to terminate the contractual relationship with the Council due to concerns over regulatory action and fines.

- 12.7 The Council will continue to monitor ICO communications and Brexit developments to ensure we remain compliant with legislation and services are as prepared for possible disruption as possible.
- 12.8 Due to the possibility of several separate scenarios occurring the Council recognises a one size fits all response in relation to data protection will not work and specific concerns are likely to require specific consideration.

13. Partnership

- 13.1 Croydon Council is in constant communications with key partners through the Local Strategic Partnership to recognise the challenges they are facing, identify opportunities to work together and agree on priorities to be delivered on a local level. As Brexit poses such considerable impacts on Croydon, the Council has been in discussion with key partners across all sectors including the police, CHS, VCS groups and local businesses.
- 13.2 The rest of this section provides an overview of the preparations being carried out by CHS and the police to give evidence to our partnership working approach and illustrate the preparations for Brexit will necessitate a system wide approach.

Croydon Health Services NHS Trust

- 13.3 CHS has developed its own action plan to prepare for the impact of Brexit. The Trust's plan has identified the following risks:
- Shortage in the supply of medicines and vaccines, medical devices, and clinical and non-clinical consumables;
 - Potential for staff shortages that would impact on service delivery and quality and result in higher expenditure in hiring locums;
 - Skills shortages in social care would also have a knock-on impact on CHS.
 - A no deal Brexit could increase the risk of civil unrest, resulting in a major incident;
 - The eligibility of EU citizens for treatment would have to be assessed;
 - There is a risk of a negative impact on the Trust's reputation as a research centre through difficulties in obtaining grants or research medications.
 - Lack of clarity over data needed for reporting and collaboration with other organisations
- 13.4 CHS's action plan contains a comprehensive list of activities to mitigate these risks.
- 13.5 **Medicines and vaccines:** The plan takes account of Department of Health and Social Care arrangements for stockpiling supplies, alternative transport routes, serious shortage protocols and a logistics hub in Belgium. The Trust has agreed a memorandum of understanding with its South West London partners to support each other in the supply of medications should the need arise. It has reduced leave in its pharmacy procurement function to ensure sufficient staffing during the period around Brexit.

- 13.6 **Medical devices and clinical consumables and non-clinical consumables:** The Trust has analysed supply contracts deemed to be higher risk to the provision of healthcare services and planned for longer lead times. There is no need to stockpile locally.
- 13.7 **Workforce:** the Trust has shared information and guidance concerning the EUSS with its 315 EU staff and offered help with it. The Trust is reviewing the need for more agency staff in the event of staff shortages.
- 13.8 **Data and information:** The Trust will include standard contractual clauses for data flows where data leaves the UK for the EU. None of the data flows into the Trust come from outside the UK.
- 13.9 **Reciprocal healthcare and overseas visitors:** Designated staff check the eligibility of overseas patients for services. Preparations are underway to implement and monitor this. In the event of no deal, additional staff may be needed.
- 13.10 **Emergency Preparedness, Resilience and Response:** contingency planning and training are under way to prepare for a major incident as a result of any civil unrest.

NHS Croydon Clinical Commissioning Group

- 13.11 **Medicines and vaccines:** The CCG has reinforced the Department of Health and Social Care/ NHS England message not to stock pile. A letter went to key local NHS partners and non-NHS providers in January. Messaging continues in updates to community pharmacy. Intelligence of any shortages or emerging risk is shared with the regional group of London Chief Pharmacists. No Brexit related shortages have been identified; normal variation in supply is closely monitored.
- 13.12 **Medical devices:** Devices issued by the Continuing Health Care team are supplied by the NHS Supply Chain and Croydon Equipment Services. No issues have been experienced. Assurance of the NHS Supply Chain is managed nationally.
- 13.13 **Workforce:** Details of the EUSS were shared with all CCG staff in December 2018. The CCG has less than ten non-UK, EU Nationals in employment.
- 13.14 **Data and information:** The CCG has positively confirmed that none of its data flows are to or from the EU.
- 13.15 **Reciprocal healthcare and overseas visitors:** The government has made an offer to all EU countries to continue the current reciprocal healthcare arrangements if there's a no-deal Brexit, until 31 December 2020. This would mean the government continuing to pay for healthcare costs for current or former UK residents who are living in or visiting EU countries, Norway, Iceland, Liechtenstein or Switzerland). The financial risk to CCGs will be clarified at the NHS London Regional event on 19th September 2019.
- 13.16 **Emergency Preparedness, Resilience and Response:** The CCG proactively worked to the action card for commissioners in preparation for the 29 March

deadline. Whilst no subsequent guidance has been released much of the work undertaken remains relevant. The CCGs own business continuity plan has been updated and tested in the last 6 months.

The Police

- 13.17 The police have taken several steps to prepare the borough for the impact of Brexit. Relevant actions are regularly reviewed and added to as new details come to light. This section outlines the South area Basic Command Unit current position
- 13.18 Actions and plans are in place or being prepared to mitigate identified risks in the following areas:
- 13.19 **Legislation** - Most domestic legislation remains in place and it is anticipated the principles enshrined within the European Court of Human Rights will be retained until primary legislation is passed to replace it. Access to European warrants and procedures for deporting wanted persons is a national issue and as such is being reviewed centrally at New Scotland Yard.
- 13.20 **Business Continuity** - Issues such as a fuel access emergency/shortage are already established fuel storage sites exist in strategic locations across London and Croydon has emergency procedures for designated fuel stations. The Metropolitan Police (MP) will have a supply of all materials required for core business to continue for a period of at least 4 weeks before the October deadline for use in supply scenario. This is again being centrally driven by MP.
- 13.21 **Engagement and partnerships:** Neighbourhood policing teams have been tasked with visits to all EU based business premises particularly those with public access (shops etc.) as well as Faith locations for a period of time commencing 14 days prior to 31st October and continuing until deemed unnecessary post Brexit date. These visits are to assess community need as well as provide reassurance and contact in the event of hate crime or other disorder.
- 13.22 **Performance:** Police in the South area are planning for a rise in reported hate incidents which was seen following the Brexit referendum in 2016. This plan includes daily monitoring of reported hate incidents and supervisory oversight of all offences on a daily basis. There is little to no anticipated impact on any other police business and the core policing functions will run in the normal way.

14. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 14.1 At this time it is not possible to identify the full financial impact on Croydon as a result of Brexit, due to the level of uncertainty.
- 14.2 Several risks have been identified throughout this report that could have a considerable impact upon the Council's financial position including changes to contract costs and a reduction in the local economy.
- 14.3 Demand for services may also rise as increasing numbers of people seek support and guidance, particularly in relation to social care and housing.

- 14.4 To help mitigate the costs of Brexit preparation MHCLG has allocated additional funding to all local authorities, London Boroughs have received £315k of funding to date.
- 14.5 The Impact of Brexit will become clearer as the direction of travel for our departure from the EU forms. As this develops the financial impact for Croydon will become clearer and if there are any adverse financial implications arising these will need to be factored in to the budget for 2020/21 and the Medium Term Financial Strategy.

Approved by Lisa Taylor, Director of Finance Investment and Risk

15. LEGAL CONSIDERATIONS

- 15.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that beyond what is set out in the body of the report above, there are no additional legal considerations arising from the recommendations within the report; however, as more clarity is obtained around the direction of travel, specific departmental advice may need to be sought in relation to the legal implications for their services.

Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law and Governance and Deputy Monitoring Officer

16. HUMAN RESOURCES IMPACT

- 16.1 The Council has put in place several measures to reassure and support our workforce to minimise any anxiety resulting from Brexit.
- 16.2 Croydon is regularly promoting to staff the importance of the EUSS to ensure they can continue to work and live in the UK. Support is in place to clarify any elements including a Brexit Questions E-mail inbox which is monitored frequently.
- 16.3 Future planning continues to identify and respond to workforce impacts as more information becomes available.

Approved by: Sue Moorman, Director of HR

17. EQUALITIES IMPACT

- 17.1 Brexit has and will have an impact across all of the country however, particular vulnerable groups could be significantly affected if left unsupported. These groups include, but are not limited to, EU nationals and their families (particularly those who do not speak the English language), LAC and homeless individuals.
- 17.2 Preparations around the EUSS are of particular note as people are required to apply to retain a right to live and work in the UK may not speak English or reside in hard-to-reach communities. This includes the promotion of the EUSS

on the Council website, the planned release of promotional materials including posters and work with our VCS through the Local Strategic partnership.

- 17.3 Supporting LAC and care leavers who are EU nationals, represents a crucial element of the Council's preparations. Utmost care is being taken to ensure they know of the scheme and have effective support to ensure they (or the council on their behalf) submit an application pre-deadline.
- 17.4 As detailed in section 6 the Council has taken steps to mitigate equalities risks relating to its own workforce. The council has encouraged workers to apply through the EUSS to ensure they retain the right to continue living and working in the UK. All new starters are now made aware of the scheme. The Council has made it clear that staff are valued as employees and has taken steps in communications to reassure them that Brexit will not result in serious consequence on their careers.
- 17.5 The Council has acknowledged the necessity to monitor community tensions as the Brexit situation progresses, particularly around hate crime as noted in section 9. A hate crime action plan has been produced to prevent hate crime occurring, effectively deal with it when it does occur and support any victims.
- 17.6 An Equality Analysis was undertaken for the December 2018 to ascertain the potential impacts on groups that share protected characteristics. The main negative impacts identified then were as follows:
- Depending on the perception of any Brexit outcome in terms of the freedom of movement and its portrayal in the press and social media, there may be an increase in community tension and race hate crimes.
 - Unless EU citizens gain settled or pre-settled status through the EUSS Settlement by 1 July 2021 (December 2020 if no deal), they will lose their rights of residency, employment and recourse to public funds. The scheme has implications for EU citizens who are digitally excluded, those who are ill, isolated or hard to reach, have a learning disability or a physical disability such as impaired sight, or lack language skills may find it difficult to apply through the online system and are likely to require support.
 - Poverty could be exacerbated, particularly among low income families and people of working age, irrespective of nationality, due to rising interest rates, inflation and unemployment, increasing vulnerability to debt and homelessness.
- 17.7 The Council, at the time, identified the following actions to mitigate these negative impacts:
- It is one of the Council's statutory equality objectives to improve the proportion of people from different backgrounds who get on well together. The Council has and will continue to promote Croydon as a welcoming and inclusive place and work in partnership with all sections of the community to monitor the level of community tension, responding to any emerging issues and negative messages arising from Brexit. It has and will work with faith and VCS groups to promote cohesion, respect and tolerance and take appropriate action with its partners to secure the safety and wellbeing of people from all communities and cultures.

- The Council will work with the VCS, faith groups and other places of community focus to ensure EU/EEA citizens are aware of the EUSS and get support if required to apply for settled/pre-settled status.
- The Council will monitor changing levels of poverty and debt and, where required, respond through its Gateway Service with its partners to prevent homelessness, provide budgeting support, and link people employment and training opportunities through Croydon Works, the job brokerage service

Approved by Yvonne Okiyo, Equalities Manager

18. SUSTAINABILITY IMPACT

18.1 It is not possible to say there will be no impact on sustainability from the recommendations of this report in this period of uncertainty.

19. CRIME AND DISORDER REDUCTION IMPACT

19.1 The Council has identified risks that could result in a decrease in community cohesion and an increase in crime, particularly hate crime.

19.2 Section 9 sets out in detail how the Council is managing risks around crime and disorder including the prospect of increased hate crime and a fuel shortage.

20. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

20.1 The recommendations will represent a continued commitment from the Council to prepare for Brexit as effectively as possible. The recommendations will also recognise the scale of Brexit operations and the need for the Council to continue to work across all teams and key partners, including London Councils and the LGA, to monitor and mitigate risks and for the benefit of the entire borough.

21. OPTIONS CONSIDERED AND REJECTED

21.1 No other options considered

22. DATA PROTECTION IMPLICATIONS

22.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

No

CONTACT OFFICER:

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BACKGROUND DOCUMENTS:

None

APPENDICES TO THIS REPORT:

Appendix 1 - Brexit Working Group: Risk & Action Plan