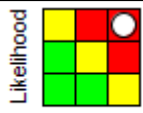


# Brexit

Generated on: 05 August 2019



<b>Risk Code</b>	CR64	<b>Risk Title</b>	Brexit
<b>Risk Owner</b>	Jeanette Thompson	<b>Updated By</b>	Jeanette Thompson
<b>Year Identified</b>	2018	<b>Corporate Priority</b>	Responsive and Efficient
<b>Risk Description</b>	<p>Because of the uncertainty regarding the UK withdrawal from the European Union (which now has a new deadline of 31 October 2019) and the various associated scenarios (leaving with a deal, leaving with no deal or potentially not leaving at all), the Council could face the following risks:</p> <p><u>Service Specific</u></p> <ul style="list-style-type: none"> <li>- Environmental and Food - insufficient staffing to cover Environmental and Food inspection issues/training pre-Brexit (potential new duties to deal with soft/internal borders for import and export).</li> </ul> <p><u>General</u></p> <ul style="list-style-type: none"> <li>- There is a change in the demand for services, e.g. due to lower living standards.</li> <li>- The price of essential equipment/goods required to deliver services increases and/or the items become more difficult to obtain.</li> <li>- There is a reduction in income and funding due to a decline in the demand for new housing.</li> <li>- The Council or contractors lose employees from EU27 countries.</li> <li>- Contractors fail to maintain the required level of service provision, e.g. due to the reduced availability of labour and/or equipment.</li> <li>- There is a reduction in income and an increase in bad debts due to a downturn in the economy.</li> <li>- Access to current EU funding programmes is lost.</li> <li>- Returns from investments reduce, although this could also mean a reduction in the rates for borrow to invest opportunities.</li> <li>- The electoral roll/elections issues (inaccuracies).</li> <li>- Workload increases to prepare for and deal with any issues, although this also provides an opportunity to identify areas of good practice and improve partnership working.</li> <li>- The price received for recyclable materials or the ability to dispose of the materials is reduced.</li> <li>- Incidents of civil disorder occur.</li> <li>- Returning citizen service demand (health, wellbeing and other services).</li> <li>- UK legislation transfer to UK law and risk that constitution/delegations and authorisations not viable.</li> <li>- Potential data protection issues with retention and transfer of data as third country post Brexit.</li> </ul>		
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>- Potential investment opportunities, e.g. linked to lower interest rates or property prices</li> <li>- Preparations identify areas of good practice and improve partnership working</li> <li>- The Council becomes generally more resilient, not just in relation to Brexit</li> </ul>		
<b>Consequences</b>	<ul style="list-style-type: none"> <li>- Quality of service provision deteriorates</li> <li>- Projects fail to be delivered</li> <li>- Failure to respond effectively to an increased demand for services, which negatively affects residents</li> <li>- Damage to reputation</li> <li>- Increased pressure on staff</li> </ul>		
<b>Work Completed</b>	<ul style="list-style-type: none"> <li>- Senior Policy Officer developed an Impact Log at the time to chart potential impacts of Brexit to North Hertfordshire.</li> <li>- Impact Log reported to SMT in December 2018.</li> <li>- Preparedness document reported to SMT in March 2019 (pre-first proposed leave date) and updated in June 2019.</li> <li>- Hertfordshire Local Resilience Forum implemented a Strategic Co-ordinating Group for Brexit.</li> <li>- Food Safety lead officers attending Food Resilience Forum and training regionally.</li> <li>- Ministry of Housing, Communities and Local Government (MHCLG) put in place intelligence gathering arrangements to collate the regional impact and preparations for Brexit.</li> </ul>		

	<ul style="list-style-type: none"> <li>- MHCLG announced additional funding for local government to prepare for Brexit (£35K to NHDC).</li> <li>- e-tendering system able to transmit to the new government e-procurement system in the event of a no-deal Brexit.</li> <li>- Risk entry presented to the Finance, Audit and Risk Committee on 21 March 2019 (following a review by the Risk Management Group and SMT) and the committee recommended to Cabinet that the risk be introduced as a Corporate Risk with a risk score of "9", due to the current level of uncertainty.</li> <li>- Service Director Legal co-ordinating from March 2019.</li> <li>- Officer Project group established April 2019.</li> <li>- EU elections Project Board established and elections undertaken in May 2019.</li> <li>- Brexit 'Project Board' first meeting 29 July 2019 with Leader as Member.</li> </ul>		
<b>Ongoing Work</b>	<ul style="list-style-type: none"> <li>- Careline stockpiling some essential equipment.</li> <li>- Working with strategically important contractors to understand the risks they will potentially face and to ensure plans are being taken to mitigate those risks if possible.</li> <li>- Contribute to countywide preparations for managing potential emergency incidents associated with Brexit, e.g. food resilience.</li> <li>- Senior Policy Officer monitoring the latest Brexit developments and providing regular updates to SMT.</li> <li>- Senior Policy Officer and SMT managing the risks and associated preparations via the: <ul style="list-style-type: none"> <li>-- Brexit Impact Log</li> <li>-- Local Authority Preparedness for EU Exit Tracker.</li> </ul> </li> <li>- Service Director Legal and Community working with LLG and MHCLG on process mapping for governance/secondary legislation process mapping. Constitution/delegation and warrant checks being undertaken. Relevant managers to check policies for compliance and enforcement post Brexit issues.</li> <li>- Drafting contract clause to cover data transfer – use of change of law provision to impose.</li> <li>- Exceptions and tension monitoring reports being sent and received.</li> <li>- Project Board consideration of issues.</li> <li>- Start Elections Board preparation for snap election/further referendum considerations (September 2019).</li> </ul>		
<b>Current Impact Score</b>	3	<b>Current Likelihood Score</b>	3
<b>Overall Risk Score</b>	9	<b>Current Risk Matrix</b>	
<b>Date Reviewed</b>	30-Jul-2019	<b>Next Review Date</b>	06-Sep-2019
<b>Latest Note</b>	<p>05-Aug-2019 Service Director Legal and Community update (July 2019): Project Board established and first meeting with Leader as Executive Member on the Board (on 29 July 2019). Was a discussion on risk rating as to whether this was appropriate given the level of risk at this time. Decision to continue with this current rating and to continue monitoring issue. Current issues with Food/import/Environmental staffing/tension monitoring and effects on overall financial certainty (and potential for Elections issues/snap and further referendum). Continued uncertainty as to whether there will be a deal or no deal and impacts on a number of fronts include operational issues for the Council and financial ones nationally. To have another virtual Project Board meeting in August and then September. Update Senior Management Team and Senior Management Group as go along with staff briefing updates/awareness in September and October.</p>		