

From: Paul Carter, Leader

To: County Council, 21 March 2019

Subject: **Brexit Preparedness – Kent County Council Update**

Summary: Kent County Council (KCC), working with all public agencies through the Kent Resilience Forum and through internal business continuity planning preparations, is well positioned to minimise disruption as far as possible in the event of a no-deal Brexit. This report updates Members on the work the County Council is undertaking to prepare, moving from planning to the operational phase. This update builds on the County Council reports from July 2018 and December 2018.

**Recommendation(s):**

County Council is asked to:

- (1) Note** Government's preferred option of an orderly withdrawal from the EU, and support for responsible and prudent local authority preparations for a no-deal scenario.
- (2) Note** Kent County Council's preparations for a potential no-deal Brexit scenario.
- (3) Agree** Kent County Council's call for clarity from Government on specific preparations and funding for a no-deal Brexit.

## **1. Introduction**

- 1.1 County Council Members have previously received reports on Kent County Council's no-deal Brexit preparedness. A list of previous reports is provided in Section 13 which includes reports to County Council in July and December 2018 and numerous Cabinet Committee reports.
- 1.2 KCC notes that the Government position continues to be that a no-deal scenario is not their preferred option. However, Government are supportive of local authorities developing robust internal and local arrangements where required. KCC continues to work with our partners, including the multi-agency Kent Resilience Forum, with the best endeavours to ensure the county has a high level of preparedness for potential disruption in the event of a no-deal Brexit. At the time of publication, there are still various strands of work to be completed which are part of our ongoing dialogue with Government.
- 1.3 This report is structured around a checklist received from the Secretary of State, Rt Hon James Brokenshire MP, in January 2019, of areas all councils should assure themselves on:
  - Statutory services
  - Regulatory services
  - Impact of border areas (Transport)
  - Impact on supply chains
  - Data handling
  - Local partnership working
  - Communications

## **2. Statutory Services**

- 2.1 Kent County Council has a variety of statutory duties and powers placed on the authority and its officers through their role or delegated through the constitution and scheme of delegations. Kent County Council's Monitoring Officer has a statutory duty to make the council aware of any proposed, contemplated or likely unlawful activity through a formal report to all Members. The Monitoring Officer has written to all Directors to highlight the importance that the Council is able to identify a clear plan to maximise and prioritise the delivery of statutory services in the event it is needed and provide clear advice ahead of time around the risk. Kent County Council recognises that a no-deal Brexit is likely to present significant added complexity in delivering our statutory services and we continue to work with Government to consider the impacts from a no-deal Brexit as far as possible.

### Business Continuity Planning

- 2.2 The purpose of business continuity planning is to ensure that services will be maintained both in the short and medium term if there is any disruption. Kent County Council's business continuity planning for a no-deal Brexit is being co-ordinated by the Resilience and Emergency Planning Service (REPS) within the Growth, Environment and Transport Directorate, and through the Directorate Resilience Group structures already in place to address potential service disruptions.
- 2.3 Considerable progress has been made in ensuring KCC Business Continuity Plans (BCPs) are up to date and fit for purpose and the REPS continues to support services to ensure that all BCPs are in place and tested ahead of EU withdrawal. KCC Duty and Recovery Directors, Tactical Managers and the County Emergency Centre will have full sight and access to all KCC services' BCPs.
- 2.4 The REPS is also supporting services across KCC to test their BCPs against potential Brexit scenarios and a business continuity planning training exercise has been circulated to managers across all directorates. In addition, a 'fit for purpose' BCP workshop was held at a 'T200 event' (for staff grades KR9 to KR13) to ensure that KCC managers have an appropriate understanding of the importance of their BCPs. The information and feedback from this event has been fed back to senior managers at a further 'Challenger' event (for staff grades KR13 upwards) on the 14 March.
- 2.5 Further to this, a Corporate Business Impact Analysis (BIA) is being finalised. This captures all functions within services that have provided an up to date BCP and their respective urgency levels, dependent on impact (such as

welfare, statutory duties, reputational risk, etc.) and the Maximum Tolerable Period of Disruption.

- 2.6 The REPS has worked to ensure that all Duty and Recovery Directors (Gold Command level) have had appropriate training to ensure that they have the necessary strategic oversight to respond to an event. The recruitment drive for additional Tactical Managers (Silver Command level) has been completed and there is now a cohort of 43 Tactical Managers who will support KCC's response.
- 2.7 A Brexit specific 'crib sheet' ('EU Withdrawal Guidance for Duty and Recovery Directors') has been created as requested by the Corporate Management Team in December 2018. This will form an appendix to the Duty and Recovery Director Handbook and compliment the training programme undertaken by Duty and Recovery Directors in the run up to EU withdrawal. Duty and Recovery Directors and Tactical Managers have been placed on a rota to ensure that KCC's response is both resilient and that the welfare of the staff considered.
- 2.8 An ongoing recruitment for the Emergency Response Team (ERT) has also allowed the operational resilience roles within the County Emergency Centre to expand to a cohort of 28. All those involved within the emergency response now have a programme of E-learning tools to complete to assist with their training.
- 2.9 Following the delivery of three live exercises (Exercise Pale Fox 28 Jan, 4 Feb and 18 Feb) to test KCC planning for both the response to and recovery from the potential impacts of Brexit, feedback and recommended actions have been shared with Directorate resilience group chairs.
- 2.10 Regular briefings are being provided to the Leader and Cabinet Members, with Brexit contingency planning updates delivered at the Brexit Cabinet Informal Sub-Group, Environment & Transport Cabinet Committee and recent elected Member briefings. Kent Joint Chief Executives and Kent Leaders are additionally receiving regular Brexit briefings. Arrangements for Member briefings on an ongoing basis are being explored.

#### Directorate Activity

- 2.11 **Children, Young People and Education (CYPE):** Briefings have been provided to various schools in Kent on the potential impacts of Brexit. Alongside this, a 'Brexit FAQs for Schools' has been circulated via KELSI and has been emailed to all schools. The guidance provides answers to questions that staff and parents may raise and encourages the schools to consider what further measures they may need to put in place. The Fair Access service is

working with the Transport Integration Unit and Special Schools to ensure adequate transport provision for Special Educational Needs pupils. CYPE will also work with schools who have identified school trips already booked within the Easter holidays and are considering alternative arrangements.

- 2.12 **Adult Social Care and Health (ASCH):** ASCH are working across KCC and with the Local Health Resilience Partnership and the Kent Resilience Forum partners to develop a detailed understanding of the potential areas of Brexit exposure across the Kent and Medway Health and Social Care System to ensure the whole system is prepared for any new arrangements which may affect patients and services users. Internally, several workstreams have been established focused on specific plans around engagement with the sector, business continuity and communications with service users. KCC has also established its own Adult Social Care and Health EU Exit Co-ordination Group. This is working closely with suppliers to identify risks to service provision in the event of the no-deal planning assumptions being realised. In respect of the provider market, all providers are required to have business continuity plans in place so that in the event of any nature of event emergency, services continue for our clients, with emphasis on our most vulnerable people.
- 2.13 **Growth, Environment & Transport (GET):** The Senior Management Forum on 7 February included a facilitated Brexit Business Continuity workshop, which has driven a significant forward step in directorate preparedness. The Waste Management service are liaising closely with District Councils in their role as waste collection authorities and contractors to explore extended working options and amending permits and licences with the Environment Agency. KCC have also been proactive in contacting waste operators and implementing mitigating actions in the event of any disruption to waste operations. Libraries, Registration and Archives have developed a Brexit Appendix alongside their BCP to provide support to managers to keep as many buildings open and have developed an internal communications plan for staff. Kent Trading Standards and Kent Scientific Services activity is referenced in section 3, and Kent Highways preparations are detailed in section 4.
- 2.14 **Strategic and Corporate Services:** A Strategic and Corporate Services (ST) Leadership Group has been established to co-ordinate ST support for directorate business continuity planning and to provide an ST link with the Chairs of the Resilience Groups and Kent Resilience Forum (KRF) as part of Brexit contingency planning. The Infrastructure division is working with KCC services to identify potential demand for alternative locations which officers could work from in the event of staff being unable to travel to their normal base of employment. This division is playing a key role in identifying and

resolving cross-dependencies including working with Cantium Business Solutions, Finance and the Engagement, Organisation Design & Development (EODD) division, to identify the ICT requirements arising from Brexit contingency planning, particularly an anticipated shift to remote working were this is appropriate for staff. This work will include linking into the internal Corporate Communications plan, with messaging to help staff work remotely. Mapping work has been undertaken which identifies areas of poor broadband connectivity against where people live and their nearest KCC buildings. This will allow KCC to adopt a more targeted approach in supporting those members of staff involved in critical services and who may not be able to utilise remote working methods. The initial mapping has identified that approximately 90% of staff would have the capacity to work from home if required.

- 2.15 Corporate Finance are putting arrangements in place to minimise the risk to the council's financial transactions. This will principally affect payments to staff, retired employees, contractors and financial assessments including the need to access cash to support clients and ensuring access to payment cards for emergency transactions. The Council's bankers, NatWest, are confident that there will not be any disruption to services. The Treasury team and our advisors, Arlingclose, will monitor the availability of funds to ensure the Council has enough cash on a daily basis which may require holding more in UK based deposits.

### **3. Regulatory Services**

#### Trading Standards

- 3.1 As the market surveillance authority, KCC's Trading Standards team is responsible for inspecting goods crossing the UK border in Kent which are referred to the team via the National Trading Standards (NTS) Single Point of Contact (SPOC) and directly by Border Force.
- 3.2 KCC Trading Standards has recently recruited five Port Import Compliance officers, to create the new Ports teams, based near the Port of Dover, as a result of the predicted increase in referrals, and to ensure sufficient capacity to handle the impact of any changes to border arrangements after 29 March 2019.
- 3.3 In future, there could also be additional points of entry into the UK located in Kent, including the ports of Ramsgate and Sheerness. Additional points of entry could further increase the activity of, and staffing required for, Trading Standards and Kent Scientific Services and our partners.
- 3.4 KCC welcomes the Government's recent guidance on their requirements for Roll-on Roll-off (RoRo) movements entering or leaving the UK for the period

following EU exit. This aims to ensure traffic can continue to flow and provides more time to businesses to prepare for changes to EU-UK trade. This guidance includes information on how businesses can register for an EORI (Economic Operator Registration and Identification) number to continue trading with the EU after 29 March 2019, and new Transitional Simplified Procedures (TSP) for businesses who trade with the EU.

- 3.5 The [Transitional Simplified Procedures](#) (TSP) would only become operational in the event of a no-deal scenario. Once businesses are registered for TSP, they will be able to transport goods from the EU into the UK without having to make a full customs declaration at the border and will be able to postpone paying any import duties. This will provide for Business as Usual (BAU) for one year, after which a new custom procedure will come into operation, giving businesses time to prepare for import processes. Trading Standards respond to notifications and there is a likelihood of additional work, but it is presently unclear as to the extent of the volume.
- 3.6 Post Brexit, checks on high-risk food and animal feed destined for the UK, but landing first in other EU countries (Transit goods), will not be checked for safety by the EU. Dover Port does not currently have the facilities for these checks to be carried out in the Eastern Docks. To reflect this, the new Food Standards Agency (FSA)/Defra electronic food import system, replacing the current EU system, will not authorise Dover as a point of entry into the UK from the EU for high-risk food or feed. Dover does have a facility to deal with high-risk imports of certain food from Third Countries. As a result of this, the level of samples being sent to KSS from Dover is likely to remain the same as now, but Trading Standards would have to intervene at the Port of Dover if high-risk animal feed is landed, as it would be an illegal import and would need to be destroyed. The volumes that could be expected are presently unknown.
- 3.7 As part of the advice Trading Standards provides for businesses they have published information on the KCC website (<https://www.kent.gov.uk/business/trading-standards/trading-standards-business-advice/brexit-and-your-business>)

#### Kent Scientific Services

- 3.8 Kent Scientific Services (KSS) provides scientific and calibration services, which includes the testing of food, checking of certain products of animal and plant origin, and chemical analysis for the Coroners Service. KSS's role requires the physical movement of food samples. There is a concern about how the service will transport physical samples to the laboratory in Kings Hill in the event of traffic disruption in a no-deal scenario. A motorcycle courier service is currently being considered for transporting small items from the Port

to Kings Hill, but this will only be agreed once the outcome of the national Brexit negotiations is confirmed. For bulkier items, the service is investigating alternative timings for operating their existing transport and providing a facility for couriers to leave samples out of hours.

- 3.9 To undertake analysis KSS use chemicals and consumables manufactured, or part-manufactured, in the EU. A no-deal scenario could disrupt their supply chain for border control work, and conversely the food supply chain. To mitigate this, the service has purchased the supplies they require, in advance of 29 March 2019, to account for a six-month contingency scenario.
- 3.10 KSS has devised contingency plans in case the volume of work exceeds capacity, and they will be able to use the services of other laboratories in the South East. In this scenario a laboratory in Portsmouth, that is owned by Hampshire County Council, is Kent's primary resilience partner. They could also draw on other facilities for testing, for example a commercial facility in Sittingbourne. Any capacity issues for KSS could have implications on testing for the Coroners Service. This issue has been considered as part of KSS's BCP with a view to minimising any impact.

#### **4. Impact of Border Areas (Transport)**

- 4.1 As the statutory Highways Authority, KCC is responsible for maintaining all roads within its administrative boundary, except motorways and major (trunk) roads which are managed by Highways England (HE).
- 4.2 As the 13 December 2018 County Council paper detailed, through the Kent Resilience Forum, KCC Highways and partners have devised a dedicated five phased 'Freight Traffic Management Plan', which contains various mitigations to maintain freight fluidity in the event of a no-deal Brexit. These preparations should ensure that freight using the main corridor routes through Kent is kept moving. This has been possible due to the joint learning across all partners who dealt with the 2015 Operation Stack event, and weekend industrial action in 2016, and utilises the 'Operational Fennel' multi-agency group, consisting of Highways England, Kent Police, KCC Highways and many other key stakeholders, including the Port of Dover, Eurotunnel and Borough and District representatives. The potential impact upon passenger traffic is also being assessed, particularly the traffic impacts over the Easter weekend with an operational plan (Perch) being developed to address potential driver welfare issues.
- 4.3 The Operation Fennel plans were completed in January 2019 and, following submission of the Final Emergency Plan to the Department for Transport (DfT), the Operation Fennel Strategic Group has received the Secretary of State for Transport's "full support". These plans are based on assumptions of up to 6 months of disruption.

- 4.4 On 7 January 2019, the DfT and KCC carried out a flow test of the Operation Brock Traffic Management system. The test went well, and all partners considered that the operation was sufficient to test the flow rate and A256 TAP sufficiency. 89 vehicles took part in the test, at a batch of 25, at 6 vehicles a minute. The second batch of 83, were released at just over 6 in a minute. This simulated roughly 400 vehicles an hour, in excess of the 350 threshold. The test used both right and left-hand drive vehicles. By way of comparison, in 2015 partners tested 20 vehicles.
- 4.5 Local permit arrangements are being explored so that local hauliers would not be required to join freight queues to exit the UK when moving around the county.
- 4.6 [The Town and Country Planning \(Manston Airport\) Special Development Order 2019](#) came into force on 24 January 2019. The Order expands on the planning permission for Manston Airport originally granted in September 2015 via the Town and Country Planning (Operation Stack) Special Development Order (SDO) 2015. This Order further extends the SDO so that it will now expire on 31 December 2020. The Order allows for the development of the site for the stationing of between 6,000 to 6,500 HGVs, the transit and processing of goods vehicles; the provision of temporary structures; the use of the site for the provision of welfare facilities; and the use of the site for border transit paperwork preparation and checking for Dover traffic only.
- 4.7 KCC has been working closely with our partners, including Government and Kent Police, to ensure that the relevant Kent traffic authorities have the necessary powers to direct freight vehicles to the appropriate temporary holding areas. Kent Police are the 'Duty Commander' for Operation Brock and the Department for Transport have confirmed that there will be no additional legislation for driver compliance and will enforce based on the traffic regulation orders being implemented to support freight lanes and clearways. There will be check-points, and HGV drivers will be issued with a ticket to allow them to proceed to the next check-point. If a driver does not possess a ticket, they will be turned around. The Driver and Vehicle Standards Agency (DVSA), KCC, HE and the Police will work together at the checkpoints. KCC has drafted a number of Temporary Traffic Regulation Orders (TTROs) in support of wider operational plans.
- 4.8 The Department for Transport are implementing a cross-Government 'Prioritisation Operations Centre' (POC), to assist in the management and distribution of priority freight. This will complement the work of the KRF and Operation Fennel. The POC will oversee goods on the contingency ferry services the Government has procured and provide an overview of freight flows between the UK and EU, with a focus on key ports.



- 4.9 Confirmation of the locations to support transit paperwork preparation for freight using Eurotunnel is awaited from the Department for Transport (DfT) and HM Revenue & Customs (HMRC). KCC also requires Government to provide further confirmation of national communications and coordination plan including cooperation with DfT, COBR, freight groups and road traffic groups.

## **5. Impact on Supply Chains & Commissioning**

- 5.1 Strategic Commissioning, Adult Social Care and Public Health are working closely with suppliers to identify the risks to service provision in the event of the no-deal planning assumptions materialising. This includes discussions with Public Health England, who have a seat at Strategic Command and the Kent Resilience Forum. Two key concerns for the provider market are ensuring the sufficiency of workforce and the impact from traffic congestion over a sustained period of time.
- 5.2 Adult Social Care and Health (ASCH) are in ongoing dialogue with providers to test their business continuity plans, in an appropriate and practical way. The trade association, Kent Integrated Care Alliance (KICA), is also encouraging more collaboration and communication across the sector so that providers can be flexible with their workforce so that if transport links are disrupted, services can continue.
- 5.3 ASCH are working with Strategic Commissioning in communicating with residential care home providers to update their current Business Continuity Plans. These plans are used to mitigate against disruption to the delivery of their normal service and the further requirement to update these for a sustained period of disruption following no-deal Brexit including risks and issues such as delayed discharges or admittance of clients to/from hospital, residential and care settings and disruption to supplies of fuel, medication, food, cleaning and sanitation products and the delivery of equipment, maintenance and spare parts.
- 5.4 For the Integrated Community Equipment Service (ICES), commissioners from Kent County Council and the NHS have been in discussion with NRS Healthcare, the service provider, to look at the risks to the continuity of the service in a no-deal scenario. NRS has begun to increase stock and have also asked key suppliers to hold three months of stock. Commissioners have agreed to avoid making any changes to the equipment catalogue in the next six months so that NRS can plan effectively and make sure they can carry an appropriate level of the correct stocks. There is also the potential to substitute EU products with Close Technical Equivalent (CTE) should this be required, either due to interruptions in supply or the imposition of high import tariffs.

- 5.5 The new Care and Support in the Home contract is due to start at the beginning of April 2019. As part of the tender and negotiation process prospective providers have been asked to consider potential issues caused by a no-deal Brexit, including staffing, transport and the various locations most impacted. Once the contracts have been awarded, commissioners will be meeting providers to finalise any issues such as purchasing protocols and joint contingency plans which will cover Brexit. Having one contract for the Homecare and Supporting Independence Services (SIS) also enables KCC to consider a flexible approach to provider operating boundaries which should aid mitigation of traffic and travel concerns.
- 5.6 Given the uncertainty surrounding the outcome of the Brexit negotiations Adult Social Care and Health's approach with providers will remain flexible to ensure Kent residents' care needs are supported. KCC Strategic Commissioning's commercial and indirect procurement services may, to a greater extent than usual, be called upon to support other KCC services in undertaking emergency procurement and spot purchasing.

## **6. Data Handling**

- 6.1 In the event of a no-deal, the UK will no longer be recognised automatically as compliant with the requirements of the General Data Protection Regulation (GDPR). The UK will transitionally recognise the EU as though they have been subject to an affirmative adequacy decision by the UK. However, it is not expected that the European Commission will have made an adequacy decision regarding the UK (a judgement on UK adequacy against EU rules) in the event of a no-deal in March 2019. The EU will only take a decision once the UK becomes a third country. Therefore, although personal data will be able to continue to flow freely from the UK to the EU, the transfer of personal data from the EU to the UK will be restricted unless appropriate safeguards are in place, or the transfer is covered by one of the statutory exceptions.
- 6.2 There is currently legal uncertainty regarding the transfer of personal data between data processors (data centres) located in the EU and UK organisations in the event of a no-deal Brexit. The Government have promoted the use of standard contractual clauses (SCCs). However, SCCs are not applicable in cases where the EU-based organisation is holding the personal data as a processor (i.e. where a datacentre is located in the EU). The UK Government expect the European Data Protection Board (EDPB) to provide guidance on the transfer of personal data between data processors located in the EU and organisations in the UK in the event of a no-deal Brexit. Currently, data processors in the EU may consider the regulatory risk too high and stop sending data to the UK, however data protection authorities in Ireland and the Netherlands, where most data processors are based,

generally take a risk based and proportionate approach to regulation. Alternatively, the European Data Protection Board may declare that these data transfers require additional safeguards.

- 6.3 Work is currently underway to review KCC's data handling practice, identify the extent of use of EU data centres, and assess the potential risks. This work will provide assurance that contingencies are in place to mitigate any disruption to the flow of information across the EU border. KCC holds data in a range of locations including the UK, EU and in the USA. Discussions have been held with Microsoft regarding our Office 365 and Azure Cloud contracts to provide assurance on the inclusion of contractual clauses as recommended by the Information Commissioner's Office (ICO). Work is also ongoing to review our other contracts which may include data housed within the EU.
- 6.4 MHCLG guidance issued on 4 March 2019 and guidance published by the Information Commissioner's Office (ICO) are being reviewed. Kent County Council will take appropriate action, considering changes to contracts or the movement of data and associated systems to UK data centres and/or alternative suppliers where required. However, data handling is an international issue which will impact the UK and EU's public services and businesses. Therefore, we expect Government to be taking forward discussions with the EU on these issues and for further guidance to be provided.

## **7. Local Partnership Working**

- 7.1 The County Council has an important place leadership role for the county. KCC is working with partners and local partnerships to plan and consider mitigations for a no-deal Brexit.

### Kent Resilience Forum

- 7.2 As a Category 1 responder, under the Civil Contingencies Act, the County Council is responsible for working in collaboration with other Category 1 responders to support the County's response to, and recovery from, potential incidents.
- 7.3 As part of Brexit preparations, KCC has been a key member of the Kent Resilience Forum (KRF) in progressing its workstreams, as is detailed throughout this report. The KRF have also facilitated and attended a number of exercises and workshops to test and refine contingency plans for Brexit:
- **Brexit Business Continuity Workshop** (25 February 2019):  
Representatives from the Kent District and Borough councils, the Environment Agency and the NHS attended to discuss their organisation's

business continuity plans. The KRF Business Continuity Lead has offered support to partners in creating or adapting business continuity plans, business continuity no-deal Brexit questionnaires have been provided and advice on conducting business impact analysis offered.

- **Kent and Medway Local Health Resilience Partnership led a no-deal exercise** (February 2019): The aim of this workshop was to test NHS business continuity and incident management plans against no-deal EU Exit scenarios. The co-chairs of the Local Health Resilience Partnership will establish a joint NHS and Kent Social Care strategy group to consider whole system delivery and resilience requirements.
- **Manston Live Exercise** (7 January 2019): as detailed in section 4, on 7 January a live exercise of Brock Manston took place.
- **Exercise Lundy** (10 January 2019): This was a multi-agency table-top exercise to explore and critically challenge the arrangements in place for responding to a prolonged disruption in Kent Ports (including the implementation of the new Operation Fennel suite of plans).
- **Exercise Mercury** (27 February 2019): This was a virtual media and communications exercise to run through the Operation Fennel Media and Communications Plan to ensure it is fit for purpose.
- **MHCLG Regional Workshop** (15 February 2019): MHCLG facilitated an EU Exit Regional Workshop with attendees including NHS, Kent Fire & Rescue Service, Kent Police and South East Coast Ambulance Service, and KCC. The objectives of the workshop were to identify interdependencies, common challenges and risks.
- **Freight and passenger traffic workshop** (20 February 2019): This workshop looked at options for both freight and passenger traffic, focussing on known locations that are vulnerable to congestion, identified resource requirements and how best to communicate this to the public.
- **KRF Transport and Utility Group** (25 February): This group has met to discuss Brexit preparations and potential impacts on supply chains.

7.4 The KRF have undertaken detailed analysis of previous disruptions, which resulted in severe congestion, to develop a clear understanding of how communities might be impacted in the event of a no-deal. This work has informed the development of multi-agency contingency plans and will identify priority areas for the deployment of resources and specific community engagement.

7.5 KRF partners have taken part in thirteen additional command and control training events and have rotas in place to ensure that each organisation is adequately represented at all command levels.

7.6 Based on further decisions and information and advice from Government, the KRF have considered the need for activating mutual aid arrangements. Emergency Services have national mutual aid arrangements, KCC has a

mutual aid Memorandum of Understanding (MOU) with other local authorities outside of Kent, and local authorities within Kent have a mutual aid agreement.

- 7.7 The planning phase for the 'day 1 no-deal' Brexit scenario has come to a close and Kent Police will lead the strategic command and control as we move in to the operational phase.

#### Joint Kent and Medway Health and Wellbeing Board

- 7.8 KCC are actively engaged on the Joint Kent and Medway Health and Wellbeing Board who have a standing item at meetings on Brexit preparations, led by Bob Bowes, CCG Clinical Chair, STP Strategic Commissioner Steering Group. The Kent Resilience Forum has a representative from NHS England embedded within the KRF planning team and, following recent Department of Health and Social Care (DHSC) preparations, have a named EU Exit Lead as the single point of contact for the South East region.

#### Community Safety Partnership

- 7.9 The Kent Community Safety Partnership has worked closely with the KRF to brief community safety partners, including District Councils. In addition, the Kent Community Safety Agreement is currently being refreshed, and as part of this, potential community safety issues in relation to Brexit are being considered. Community Safety is planning to provide targeted support especially with regards to the vulnerable and isolated. A community engagement plan is being devised to facilitate good communication and engagement with Kent's communities. Kent Police are focussing on monitoring intelligence and information around community cohesion.

#### Local Economic Partnership

- 7.10 There are a number of ways that Kent businesses have been engaged on their views of Brexit. Locate in Kent has undertaken a survey of 100 businesses to ask them about potential Brexit impacts. This will help Locate in Kent and KCC tailor local responses accordingly. The South East Local Enterprise Partnership (SELEP) has also collated business survey data on behalf of the Ministry of Housing, Communities and Local Government (MHCLG). The Kent and Medway-based Business Advisory Board (BAB) also takes direct feedback from Kent Businesses via an 'Economic Commentary'.
- 7.11 Both the South East Local Enterprise Partnership (SELEP) (<https://www.southeastlep.com/brexit>) and the Kent and Medway Growth Hub website, hosted by Kent Invicta Chamber of Commerce (<http://www.kentinvictachamber.co.uk/brexit-hub/>) detail information on Brexit and signpost to Government websites which contain a range of business

advice and information, including how businesses can register for an EORI (Economic Operator Registration and Identification) number to continue trading with the EU after 29 March 2019. All these webpages continue to be updated as additional information is received.

- 7.12 KCC Economic Development works with partners like Locate in Kent, Visit Kent and Produced in Kent, who provide bespoke support packages for Kent businesses. KCC and our partners are also being pro-active in pursuing a 'Trade Development Framework' with several export-support organisations in Kent and the Department for International Trade. A paper on this was presented to the Growth, Economic Development and Communities Cabinet Committee on 7 March 2019.

## **8 Communications**

- 8.1 Members have a key role in terms of community cohesion and local advocacy. The Member Hub will prioritise the dissemination of relevant information to Members to allow them to discharge this role. KCC's Resilience Guidance for Elected Members, held in the KNet Members' Area, is also under review and will be circulated at the March County Council meeting.
- 8.2 The Communications Team anticipate increased demand and activity in three key areas: media and resident communications, website updates and an increase in contact centre call demand to both day and out of hours operations. An external communications management plan has been established with a Brexit page on Kent.gov initiated in February 2019. This will include links to relevant Government information and be updated as the situation evolves. This will be the primary location for service delivery changes post Brexit and will be supported by social media releases to emphasise key messages to residents. In addition, a central Brexit email address has been set up for KCC directorates to advise KCC Communications of service delivery changes, so that these can be cascaded to Kent residents. A suite of advisory messages is also being developed and scaled by severity to cover all eventualities.
- 8.3 A Corporate Internal Communications Plan has been agreed to provide regular staff and management communication across all channels. Brexit related KNET pages are currently in operation, and these detail information for staff on the Council's Business Continuity Management process and signpost to further information to support service preparations. In addition, KMail and KMail for Managers are being used to share tools for Business Continuity Planning across KCC and provide updates on specific topics for each service. A series of messages are also being developed to support managers including management briefings at T200, Extended CMT and Challenger meetings. In liaison with HR/ Organisational Development (OD) a

special management communication is also planned detailing corporate support, with signposting links, and guidance issued over recent months in one place.

- 8.4 To support the Council's existing employment policies and guidance Human Resources (HR) has developed a list of Frequently Asked Questions (FAQs) for managers that would help them understand how to apply the County Council's employment policies in the context of any short term and ongoing disruption that may be caused.
- 8.5 If EU citizens wish to stay in the UK after 29 March 2019 then they will have to register under the EU Settlement Scheme, which is open for two years. Home Office communications are expected to increase from March and information and advice on how to apply is available on the Government's EU Settlement Scheme website. There are ongoing Kent County Council communications regarding the scheme so that KCC employees are aware of the situation, the potential implications and signposting details to Government information.
- 8.6 Kent County Council play a key role in ensuring effective partnership communications through the Kent Resilience Forum. A KCC officer chairs the KRF Communications Group which will draw on community intelligence to deliver messaging to Kent's public agencies and communities in the event of a no-deal. Representatives on the group include the Department for Transport, Highways England, Kent Police, all Borough and District councils in Kent and more than 40 other communications functions from the NHS to Port of Dover. KRF partners continue to receive a fortnightly briefing which outlines key information to partners. A KRF Parish Pack has been sent to all Parish councils in Kent to advise on how to plan for emergencies in Kent and offers advice on creating household emergency plans and Business Continuity Plans. The document includes information on social media channels to follow in the event of a no-deal scenario.
- 8.7 The Kent Resilience Forum has developed a 'preparing for the UK exiting the European Union' webpage on Kent Prepared (<https://www.kentprepared.org.uk/page1.aspx?p=15&t=3>). This page provides guidance on how Kent's residents and businesses can prepare for Brexit.
- 8.8 In recent weeks Government has increased its public communications of its no-deal preparations. National campaigns include informing UK and foreign hauliers, operators and their customers of the documentation they will require and how Operation Brock will work. Government is also exploring access to real-time journey planning information.

- 8.9 Government has improved its communications with local authorities, established regional hubs with specific leads and has agreed a communication approach with the KRF. The MHCLG Brexit Delivery Board has supported information sharing between Government departments and councils and enabled local government to raise issues directly with Government. Kent County Council's Leader has a seat on the Brexit Delivery Board in his capacity as chair of the County Councils' Network. Kent County Council have also participated in a UK-France Mayoral Summit in March 2019 to ensure continued strong cross-border relationships beyond the UK's exit from the EU and in an LGA roundtable, hosted by Dover District Council, alongside representatives from Government departments to support local businesses.
- 8.10 Kent County Council is dependent on confirmed Government information to continue to prepare effectively and would therefore urge Government to ensure their no-deal Brexit preparations are finalised as soon as possible and communicated with local authorities and local public services.

## **9. Cost and spend for KCC Brexit planning**

- 9.1 KCC could be facing significant but as yet unquantified additional costs as a result of a no-deal Brexit. The Council does not hold a specific earmarked reserve to mitigate this risk and consequently if central government does not provide adequate funding to compensate additional costs the Council would need to look to its general reserves in the short-term, impacting the Council's financial resilience. Directorates have been asked to review the costs of their Brexit preparedness. In some instances it may be difficult to isolate additional costs separately from "business as usual" and the full impact will only emerge as we monitor delivery of the 2019-20 budget during the year. Due to lead-in times, some decisions are being taken to commit spend in 2018-19 to ensure readiness for 29 March 2019. KCC services are also being asked to consider what longer-term costs and resource demands may arise. These would need to be reflected in the updated Medium-Term Financial Plan for 2020-21 and beyond.
- 9.2 Work is ongoing to review service cost returns and develop these where required. However, the impacts from a no-deal scenario, and associated resource implications to KCC, are dependent on further planning assumptions provided by Government and the future UK-EU relationship.
- 9.3 KCC has engaged with Government on the likely impacts and resource implications to the County Council from a no-deal scenario. As further information from Government becomes available and our business continuity planning preparations develop, KCC will further engage with Government on our resource implications to ensure they are fully met by Government.



- 9.4 As KCC continues to prepare for a no-deal Brexit, it is important to ensure a consistent approach to allocating and committing spend. To support this, a project code and process for tracking all Brexit preparedness expenditure has been developed and a set of Brexit specific 'guidance notes' have been issued via front line revenue support accountants to assist budget managers. It will be important for services to adhere to this guidance when spending money on Brexit related resources. This will enable full costs to be captured and the case to be made to Government for full funding.

## **10. Funding from Government**

- 10.1 KCC has secured specific funding to date from Government, however this does not currently meet the estimated additional costs to KCC from no-deal Brexit preparations.
- 10.2 On 28 January 2019, the MHCLG published a [written statement](#) on the general funding Local Government will receive for Brexit preparations. £56.5m has been announced to be available in the period 2018-19 and 2019-20 to help with Brexit contingency planning. £20m will be provided directly to councils this financial year and another £20m in 19-20. County Councils, including KCC, will each receive £87,500 per annum for 2018-19 and 2019-20. For comparison, districts will each receive £17,484, and unitary councils, such as Medway, £104,984 per annum (i.e. a combination of the upper and lower tier allocations) for each of these two years. The 2018-19 funding was received on 4 March 2019.
- 10.3 A further £5m will be split between teams in the local government department and wider sector for "strengthening resilience preparations and supporting communities". The Kent Resilience Forum will receive £76,000 from this in 2018-19 although this is not the total distribution. £3.14m has also been allocated by MHCLG to support specific authorities to plan and mitigate against potential disruptions from local ports. The funding was divided between 19 district and unitary councils, with Dover DC, Folkestone and Hythe DC, Thanet DC, Ashford DC, Gravesham BC and Dartford DC receiving funding of between £136,362 and £272,724. KCC did not receive any funding from this allocation.
- 10.4 A further £10m from MHCLG will be available in 2019-20 to respond to specific local costs that may only become evident in the months after we exit the EU, which will include emerging pressures relating to port functions or wider impacts on port areas. KCC is awaiting confirmation of any specific allocation from this additional funding tranche.

- 10.5 Separately KCC has had confirmation that it will receive £28.8m from the Department for Transport (DfT) to support implementation of Operation Brock. The detail of timing and any conditions attached to this funding are still to be finalised. KCC has asked for further funding to cover additional work at Manston and has also submitted a proposal to deliver an enhanced operational and incident response service post 29 March. The Government has indicated that further MHCLG funding will be available to councils affected by Brexit, as they continue to assess any "new burdens". Funding may also be available from other government departments.
- 10.6 Whilst the confirmed funding is welcome, the estimated additional spend is likely to be significantly in excess of the current funding allocation to Kent County Council. It is crucial that Government meets the identified costs to Kent from no-deal Brexit preparations and the Kent Taxpayer is not required to subsidise additional costs. The immediate impacts of Brexit will not be felt evenly across the country and Government funding should reflect this.
- 10.7 KCC is seeking further assurances that Government will guarantee the continuance of funding streams to replace EU funding programmes, specifically Interreg (European Territorial Cooperation (ETC)) and the European Structural and Investment Funds (ESIF). An updated [technical notice](#) on 'European Territorial Cooperation funding in a no-deal Brexit', published on 28 February, highlighted some potential risks to the 37 Interreg projects currently running that involve partner organisations from Kent. In a no-deal scenario these projects may have to cease, which would have a knock-on effect for all the Kent organisations involved. This includes Kent County Council which is currently involved with 19 Interreg projects (estimated at £5.5m). These projects focus on a range of topics and involve joint activities with European partner regions. It is understood that MHCLG will issue further guidance for existing project partners and potential new applicants in due course.
- 10.8 Government should also take the opportunity to consider longer-term funding to mitigate the impacts, and maximise the opportunities, of Brexit through the Shared Prosperity Fund. The Government has not published the UK Shared Prosperity Fund (UKSPF) consultation, and this needs to be published as a matter of urgency. There is a concern about the methodology that will be employed, for example the Brexit contingency funding to date has been allocated via a flat pro-rata allocation system, and that UKSPF allocations are distributed on a similar basis, and not as a result of need.

## **11. Actions for Government**

- 11.1 KCC notes that the Government position continues to be that a no-deal scenario is not their preferred option. However, KCC will continue to prepare,

as far as possible, its statutory and non-statutory services for a no-deal. To support these preparations the County Council is dependent on Government taking specific actions, including:

- **Provide appropriate funding** to meet additional resource implications as currently identified in a no-deal Brexit as well as any additional requirements to meet future costs. Funding should:
  - Be allocated on basis of need;
  - Meet KCC Trading Standards and Kent Scientific Services additional costs, both of which are currently being funded by KCC.
  - Provide funding for bespoke business support packages, including assistance for the local tourism sector.
  - Ensure continuance of funding streams to replace EU funding programmes; not just those that operate domestically, but also those that allow for co-operation with partners in mainland Europe.
  - Ensure the UK Shared Prosperity Fund supports local areas to mitigate the impacts and maximise the opportunities of Brexit.
- **Taking decisions at pace on:**
  - DfT and HMRC to confirm the location(s) to support transit paperwork preparation for freight using Eurotunnel.
- **Provide further information and advice**, including:
  - Confirmation of national transportation communications and coordination plan including cooperation with DfT, COBR, freight groups and road traffic groups.
  - Confirmation of the finalised National Communications Strategy.
  - Government to take forward discussions with the EU and provide additional guidance on data handling arrangements post 29 March.

## 12. Recommendation(s)

### Recommendation(s):

County Council is asked to:

- (1) **Note** Government's preferred option of an orderly withdrawal from the EU, and support for responsible and prudent local authority preparations for a no-deal scenario.
- (2) **Note** Kent County Council's preparations for a potential no-deal Brexit scenario.
- (3) **Agree** Kent County Council's call for clarity from Government on specific preparations and funding for a no-deal Brexit.

### **13. Background Documents**

- Brexit Preparedness - Kent County Council Position to County Council (July 2018)
- Business Preparedness for Brexit update to Growth, Economic Development and Communities Cabinet Committee (July 2018)
- Trading Standards update to Growth, Economic Development and Communities Cabinet Committee (September 2018)
- Brexit Preparedness - Kent County Council Update to County Council (December 2018)
- Preparations by HM Government and the European Commission for a No-Deal Brexit to Growth, Economic Development and Communities Cabinet Committee (January 2019)
- Corporate Risk Register in relation to Brexit to Policy and Resources Cabinet Committee (January 2019)
- Supporting Kent Exporters to Growth, Economic Development and Communities Cabinet Committee (March 2019)