

Southwark Brexit Panel

MINUTES of the Southwark Brexit Panel held on Thursday 28 January 2021 at 6.00 pm. This virtual meeting was held online.

- PRESENT:** Councillor Stephanie Cryan (Chair)
Councillor Peter John OBE
Councillor Richard Leeming
Councillor Alice Macdonald
Councillor David Noakes
- OTHERS PRESENT:** Jo Anson (Interim Head of Interim Head of Governance)
Pete Avery Federation of Small Businesses
Zaneta Borzecka (Vodafone Business, Client Sales Specialist)
Andrew Collier King's Public Affairs and Externals Insight Adviser
Andrew Crouch (Italianate Ltd.)
Stephen Douglas (Director of Communities)
Paul Dumke (Registration, Coroner's Support and Interim Information Governance Manager, Housing and Modernisation)
Danny Edwards (Head of Economy)
Richard Kalmar (Managing Director of Kalmars)
Elaine McLester (Interim Head of Governance)
Peter Mantell (Notary Public Joint Chairman Southwark Chamber of Commerce Limited)
Matthew Rolfe (Strategy Officer)
Iain Smith (Lendlease)
- OFFICER SUPPORT:** Poonam Patel (Constitutional Officer, secondment)

1. WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the Southwark Brexit Panel meeting and the representatives from and for local business in the borough and from King's College London.

2. APOLOGIES

Apologies for absence were received from Councillor Linforth-Hall.

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were none.

4. MINUTES

The minutes of the meeting held on 26 November 2020 were agreed as a correct record of the meeting.

5. BREXIT UPDATE

The panel noted and discussed the report and the verbal updates received from the officers.

In response to the panel's agreed work streams the following points were noted.

Settlement Status:

- i. The end of freedom of movement on 31 December 2020, meant that new immigration rules and the immigration points system was now applicable to those entering the UK or had not applied for EU settlement status. Although further clarification was needed to know if an appeal process was available for those that had simply missed the deadline and were residing in the UK before 31 December 2020.
- ii. The latest figures reported that 48,960 EU nationals had applied for EU settlement status in Southwark and 46,950 residents had received either settlement status or pre-settled status. The deadline to apply for settled status was still 30 June 2021. Receiving settled status was the equivalent to being granted indefinite leave to remain in the UK. Registrar resources remained to be under pressure to respond to the COVID-19 pandemic. The online EU settlement scheme portal was still available and an increase in demand of for a face-to-face service towards the deadline was still likely to occur.

- iii. The council were still monitoring the take-up of the scheme as well as maintaining key communications to promote the scheme and reach all communities in collaboration with all key internal and external stakeholders.

Local services and service offer:

- i. Notices of higher valued contracts were now required to be published on a UK platform “Find a Tender” and to voluntarily publish in the Official Journal of the European Union (OJEU). The council’s e-procurement system allowed automatic publication to the OJEU.
- ii. On 15 December 2020 the Government published a [Green Paper: Transforming public procurement](#) and the consultation deadline was 10 March 2021. There could be potential changes to lower value contracts and options to reserve lower value contracts to local businesses.
- iii. There were intentions to identify through the council’s response to the consultation if there was an option to reserve lower value contracts to local businesses in the borough or if this option only referred to reserving to local businesses in London.
- iv. The Green Paper did not include any direct changes to procurement.

Shared Prosperity Fund/EU related fund:

- i. The panel noted that further details about the shared prosperity fund (SPF) were expected during Spring 2021, although this could be delayed. The panel also noted that Appendix 1 of the report contained Southwark’s economic renewal plan and Brexit remained a key strategic consideration for monitoring against the six commitments detailed in the plan. For example, Brexit preparedness plan replaced the Brexit risk register and was listed as part of the Brexit work stream at printed pages 39 to 40 of Appendix 1.

Market impact

- i. Businesses that relied upon importing and exporting were most likely facing the immediate challenges and the smaller businesses would be disadvantaged as a result of the non-tariff barriers in place.
- ii. The construction, hospitality, and health and social care workforces in Southwark were most likely to experience a change, as a consequence of Brexit. The level of this impact was yet to materialise.
- iii. It was too early to identify the demand and impact for those that rely upon providers that deliver an advice service this was due to the global public health crisis (COVID-19 pandemic).

The Head of Economy reassuring the panel that all the work streams for the Brexit panel would be continuously monitored and an updated report would be provided at a future meeting.

The Chair thanked everyone for the contributions to this item.

RESOLVED:

1. That the Southwark Brexit Panel noted the report.
2. That the Southwark Brexit Panel receives an updated report at a future meeting.

6. LOCAL BUSINESSES

The panel noted the following points in response to a discussion with representatives from and for local businesses in the borough and an academic institution (King's College London):

- EU academic research alliances remain without change – UK not considered a third country.
- The Brexit deal did not secure further access to the Erasmus+ student mobility scheme for UK students beyond 2023. Further details about the replacement “Turing Scheme” were yet to be released by Government.
- Immigration and the settlement scheme remained a concern for staff retention and the recruitment of staff.
- There was a level of anxiety of the unknown.
- Extra costs, extra Admin. and extra time was incurred to work out various business logistics – approximately 30% of local small businesses needed to be informed of the current processes in place.
- Approximately 60% of small businesses do not have the experience to manage themselves through the rules of origin and to apply the new rules now in place. Consequently, local small businesses had to consider not trading with the EU.
- Administrative issues from the point of customs were creating burdens on the supply of materials. For example, plasterboards were manufactured in France and builders no had longer have plasterboards readily available to them, which was creating a delay in the completion of their jobs. Further ramifications would involve people being out of work whilst waiting for materials to arrive to complete the job.

- A level of confusion was gathering pace against information available and it was unclear where local businesses will be in six months' time.
- The financial implications to local businesses were unknown due to the lack of information available and the extra costs incurred were yet to be calculated to quantify the immediate impact.
- Businesses would most likely move offshore to sustain their business.
- It was no longer possible to obtain International Death Certificates issued by the General Registry Office, which would assist those that had property in the EU.
- Consumers were experiencing an immediate impact following an increase in shipping costs for their goods.

RESOLVED:

1. That the council's dedicated webpage to Brexit be updated to help the borough be informed of the latest information published by the Government and make the information easy to access to assist local businesses and residents.
2. That the Southwark Brexit Panel invite at a future meeting representatives from the larger businesses operating in the borough to identify their experiences following the 24 December 2020, Trade and Cooperation Agreement.

Meeting ended at 7.23 pm.

CHAIR:

DATED: