

Southwark Council Brexit Risk Register

Live at: 22 January 2020

Risk register

The council have set up a dedicated website page to signpost to, and access information and advice on, Brexit. Go to: <https://www.southwark.gov.uk/brexit-guidance>

(Category) Risk	Mitigating activity / current response	Risk Assessment		Strategic Director	Risk owner	Further information
		Impact	Likelihood			
<p>1.1. (Economic / Operational)</p> <p>Investors redirecting their funding from social care and education providers into other markets or investments or providers choosing not to operate in the UK / Southwark in future.</p>	<p>Southwark is not exposed to any greater risk than other comparable areas and managing and responding to provider failure is a duty within the Care Act which the Council will manage through business continuity planning and robust commissioning. The council continues to engage with providers to ensure they have their own continuity plans in place.</p>	HIGH	MEDIUM	Strategic Director, Children's and Adult Services	Director of Commissioning; Director of Education	
<p>1.2 (Economic / Operational)</p> <p>Brexit impact arising on the health sector including the NHS and public health services (e.g. supply and demand).</p>	<p>Southwark's health economy represents a significant sector, including the presence of world class institutions locally. Concerns associated with Brexit impact are around supplies, regulation, workforce and skills and the impact on access to care and support. The impact of the exit date extended again from 31 October 2019 of 31 January 2020 on winter pressures/planning will continue to be a key consideration in assessing and mitigating impact. The council will continue to make the case for Southwark residents to government on properly recognising the impact that may result from an unmanaged Brexit on stretched communities. The government</p>	HIGH	MEDIUM	Strategic Director, Place and Wellbeing (Director of Public Health); Strategic Director, Children's & Adults'	Director of Commissioning	

	<p>must provide appropriate resource to mitigate these impacts and help localities capacity build to support communities through this significant change period. In the short term, the council continues to engage with the education, health & social care sector on contingency planning for example with regards equipment and supplies and there needs to be clear communication by central government about potential impacts locally.</p>					
<p>2.1 (Economic. Local economy & community)</p> <p>Detrimental impacts of Brexit on communities across the borough</p>	<p>We have agreed key priorities as set out in our Council Plan alongside a resource plan as part of our budget setting process to deliver for communities in our borough. This includes in key areas such as mental health provision and support, community safety and housing and homelessness prevention. We will continue to protect the interests of our residents and deliver quality local services whatever circumstances the borough faces at a macro-level.</p>	HIGH	MEDIUM	Chief Officer Team	Relevant Director Lead; Head of Chief Exec's Office; Head of Communications	See Council Plan 2018-22
<p>2.2 (Economic. Local economy & community)</p> <p>Detrimental impact on staff and students from the EU who reside in Southwark and / or attend local universities.</p>	<p>The Council's cross-party Brexit panel heard from local universities about the significance of EU funding and shared research capability with other EU countries. The implementation of a local skills strategy, alongside working with the GLA to lobby to protect the interests of London's international reputation in education and research is critical.</p>	MEDIUM	MEDIUM	Chief Executive; Strategic Director of Children's and Adult Services	Director of Education; Head of Chief Executive's Office; Head of HR	
<p>2.3 (Economic. Local economy & community)</p> <p>Increased demand for local community support / advice services due to an economic downturn from an unmanaged</p>	<p>The Bank of England have estimated a worse case scenario of 8% reduction in national income arising from an unmanaged withdrawal from the EU, which may have similar to worse effect than the 2008-10 recession. The council working alongside relevant partner organisations in education, health & care will plan, prepare for and</p>	HIGH	MEDIUM	Strategic Director, Place & Wellbeing; Strategic Director, Children and Adults'	Director of Communities	

withdrawal from the EU by the government.	respond to any enhanced demand as best given local resources and make a strong case to government to appropriately invest in local advice services and voluntary and community services such as community resilience, mental health support, homelessness prevention, community safety and wellbeing, in localities most affected.					
2.4 (Economic. Local economy & community) Vulnerable people and groups may be more impacted by Brexit through difficulties applying for EU Settled Status.	It is crucial that the government provide appropriate and timely advice and guidance and ensure localities receive sufficient financial support in the immediate, short and longer term. The council has established a risk reserve alongside a one off fund to make grants to voluntary and community groups available to support the most vulnerable through Brexit. The council have also established a local support offer to residents who are required to apply for settled status. The Library Service is supporting residents by providing free access to ICT and individual support in how to complete the required application where needed.	HIGH	MEDIUM	Strategic Director, Housing and Modernisation; Strategic Director, Environment & Leisure.	Director of Customer Experience; Director of Leisure;	See Cabinet report; Southwark Brexit Panel – recommendations to Cabinet Information on who is eligible to apply for EU Settled Status can be found on the Gov.uk website .
2.5 (Economic. Local economy & community) Residents are unaware of potential impacts associated with the UK exiting from the EU with resultant broader community impact arising. This includes more specifically the EU Settlement Scheme and how to apply where this is appropriate.	It is crucial that the government provide appropriate and timely advice and guidance and ensure localities receive appropriate financial support in the immediate, short and longer term. The council have put together a comprehensive communications plan looking at all avenues to engage with residents.	MEDIUM	MEDIUM	Chief Executive	Head of Communications	Information on who is eligible to apply for EU Settled Status can be found on the Gov.uk website .

<p>2.6 (Economic. Local economy & community)</p> <p>Raised anxiety and frustration from local business attached to uncertainty and difficulty in planning ahead with regards stock, supply chain issues, recruitment and investment plans.</p>	<p>The government must signal at the earliest opportunity the implications and requirements of local business in preparing for whatever deal / no deal scenario. This should include sufficient transition time to embed regulatory changes. The council continues to review the information made available to support local business in understanding their obligations (subject to clarity in advice and guidance from government). The council will continue to make the case that businesses are not penalised where there is limited time and lack of capacity to implement regulatory changes or respond to issues in the supply chain, for example associated with limited warehouse capacity to store equipment and essential items for business delivery.</p> <p>Pass age of the Withdrawal Bill has helped to alleviate immediate concerns but the possibility of a no deal exit in Dec 2020 remains.</p>	HIGH	MEDIUM	Chief Executive; Strategic Director, Environment & Leisure	Head of Chief Executive's Office; Director of Environment	Further information on preparing for the EU Exit produced by the government can also be found via this link
<p>2.7 (Economic. Local economy & community)</p> <p>Difficulties in local business recruiting staff, potential increases in labour costs and medium term skills shortages in key sectors such as construction and health and social care.</p>	<p>The council, working with local partners, have agreed a skills strategy and action plan overseen by a skills delivery partnership. This includes developing a Construction Skills Centre and Passmore Centre for apprenticeships in key sectors. The council will continue to make the case to government that an appropriate resource strategy is in place to invest in future skills needs and one that recognises and maintains London's primacy in contributing to UK plc.</p> <p>Ongoing discussions with local business on impact of Brexit through the Southwark Business Forum and other networks.</p>	MEDIUM	MEDIUM	Chief Executive; Strategic Director, Children's and Adults'	Head of Chief Executive's Office; Director of Education	

<p>2.8 (Economic. Local economy & community)</p> <p>Impact on council contractors and contracted services</p>	<p>The council will continue to contact contractors to ensure they have activated as required their own workforce impact assessments arising from Brexit.</p> <p>Note from ACPOA (parking contractor) There is a standstill period for two years post our exit from the EU (previously to be the end of October 2019). This means there will be no impact on our colleagues working for us. They will then be entitled to apply for Settled Status - this will not be unreasonably refused. We do not have any reason to believe this will impact upon our ability to recruit new colleagues.</p>	MEDIUM	MEDIUM	Chief Officer Team	Relevant Director Lead;	
<p>3.1 (Economic / Legal & Regulatory)</p> <p>Changes to consumer protection requirements across the EU affecting residents and local businesses.</p>	<p>The council will seek clear and comprehensive guidance from government on changes to laws in the UK and in EU member states where relevant so that there can be clear communication with businesses and assessment of any impact on local services.</p> <p>Increase in workload and need for training of staff & teams dealing with changed consumer protection legislation & the export certification of food products.</p>	MEDIUM	LOW	Strategic Director, Finance & Governance; Strategic Director, Environment & Leisure	Director of Law & Democracy ; Director of Environment	
<p>4.1 (Financial)</p> <p>HM Treasury do not fully acknowledge nor appropriately mitigate the financial strain on the Council of service and other such demands arising from Brexit.</p>	<p>Although one off injections of cash is welcome, the council believes this falls short of how the government should be supporting localities through the impact of Brexit, both directly and indirectly. Further, in October 2019 the government wrote to the cross-party Treasury select committee refusing to undertake a new economic analysis of Brexit impact.</p> <p>For it's part, the council has established a</p>	HIGH	MEDIUM	Strategic Director, Finance & Governance	Director of Finance; Head of Communications	HM Cabinet Office have confirmed they will reimburse Returning Officers for reasonable spending on contingency preparations on the European Parliamentary Elections held in

	risk reserve to mitigate any Brexit impact plus a one off fund to make grants available to voluntary and community groups. The section 151 officer will continue to lobby government to ensure they appropriately compensate for where the council have had to resource immediate, short and long term impacts arising from Brexit.					May 2019.
5.1 (Staffing & Culture) Loss of employees from non UK EU countries impacting the council operational capacity.	The council is engaging closely with the Home Office to ensure our staff are as well supported as possible in applying for settled status. This includes drop-in sessions with a particular focus on staff with lower digital literacy and where English is not their first language. We are working with our trade union colleagues to ensure staff are aware of the process for applying and the support available from the council to do so. We continue to monitor recruitment and retention activity closely, particularly in harder to recruit areas.	MEDIUM	LOW	Strategic Director, Housing and Modernisation	Head of HR	
6.1 (Operational) Shortages of food post Brexit caused by backlogs and delays at ports/customs.	The council will operate its business continuity plans alongside tested plans in line with the pan-London Resilience Forum, which has plans in place in response to food and fuel shortages across the city. This includes activation of plans to support the most vulnerable; work with schools; and ensuring clear activation of plans with relevant providers of services such as meals on wheels. Clear communications planning will also be activated in line with this.	HIGH	MEDIUM	Strategic Director of Children's and Adult Services	Director of Adult Social Care; Director of Children and Families; Director of Education	
6.2 (Operational) Shortages of fuel post Brexit caused by backlogs and	The council will operate its business continuity plans alongside tested plans in line with the pan-London Resilience Forum, which has plans in place in response to food and fuel shortages across the city.	HIGH	MEDIUM	Strategic Director of Children's and Adult Services;	Director of Adult Social Care; Director of Children	

heightened demand attached to perception of shortages arising.	This includes activation of plans to support the most vulnerable; work with schools; and ensuring clear activation of plans that affect particular services such as social care and specialist transport services. Clear communications planning will also be activated in line with this.			Strategic Director, Environment and Leisure	and Families; Director of Education; Director of Environment	
6.3 (Operational) Shortages of specialist equipment and/or medication for those individuals in receipt of support / need.	The council will operate its business continuity plans alongside tested plans in line with the pan-London Resilience Forum. This includes activation of plans to support the most vulnerable; work with providers of health and care; and ensuring clear activation of plans with relevant providers of services of such community equipment. The council also engages with health partners and other local authorities to mitigate impact.	HIGH	MEDIUM	Strategic Director of Children's and Adult Services	Director of Commissioning	
6.4 (Operational) Loss of teaching staff in local schools, and reduced demand for school places.	Alongside tracking demand and planning for future placements, the council works with local schools (and other education providers) to ensure that they have their own appropriate contingency and business continuity plans in place, including for short term and more immediate impacts.	HIGH	MEDIUM	Strategic Director of Children's and Adult Services	Director of Education	
6.5 (Operational) Changes in approach to waste collection and disposal requiring immediate changes in approach.	The council will maintain good understanding of potential future changes and where necessary put in place contingency plans for changes to services including clear communication with residents and businesses.	MEDIUM	LOW	Strategic Director of Environment and Leisure	Director of Environment	
6.6 (Operational) Potential increase in costs for goods due to new Trade Tariffs and payments of customs duties as goods will be subject to same	The council will continue to work with the Local Government Association including lobbying for compensation for public services to cover any new costs / burdens arising from tariffs.	HIGH	MEDIUM	Chief Officer Team	Relevant lead directors	

tariffs/requirements as “third country”.						
7.1 (Legal & Regulatory) Continued uncertainty of when and how the UK will withdraw the EU and associated delays in enacting legislative change, as well increasing complexity of the statutory landscape, may have an adverse impact on the Council’s ability to fulfil its statutory and regulatory functions’	Work with LGA, lobby central government and continue to make representation through regional arrangements set up by MHCLG in planning and preparing for EU Exit, to safeguard and mitigate any impact as a result of central government not arriving at clear guidance nor Parliament a clear legislative position with regards statutory instruments and other such mechanisms that govern council activity.	MEDIUM	MEDIUM	Chief Officer Team	Relevant Director lead; Director of Law & Democracy (Corporate)	
7.2 (Legal & Regulatory) Potential changes to the regulatory / procurement regime that the council is responsible for enforcing requiring additional capacity within the council; also impact of changes in regulation that governs council services and responsibilities.	Work with LGA to lobby central government on funding for additional capacity resulting from changes to regulation.	LOW	LOW	Strategic Director of Environment and Leisure; Strategic Director, Finance & Governance	Director of Environment / Director of Law & Democracy	
7.3 (Legal & Regulatory) Unable to effectively meet civil contingency responsibilities as a result of Brexit impacts.	The council, working with London Resilience Forum, has prepared and updated emergency plans (including fuel planning) to take account of potential impacts arising from Brexit. This includes testing plans through scenario planning. Uncertainty attached to what deal (or not) is in place post transition remains the significant challenge in assessing the confidence of such plans however learning will be taken from previous experience in responding to local major incidents.	HIGH	LOW	Chief Executive	Head of Chief Executive’s Office; Emergency Planning & Resilience Manager (chair of Business Continuity Forum)	Cabinet report on emergency plan

<p>7.4 (Legal & Regulatory)</p> <p>Children in the local authority care who are non UK EU nationals not appropriately supported as they apply for the right to remain through the EU Settled Status Scheme.</p>	<p>The government published the EU Settlement Scheme which will allow employees who are EU nationals and their families to apply for settled status to continue to live and work in the UK beyond 30 June 2021. Eligibility is dependent on whether the government have secured a withdrawal agreement or whether there is no deal. Under whatever deal negotiated (or not), the Council will provide support and assistance to families and children in care and young people leaving care who need to apply for settled status as we enter the transition period. There will be no charge for such support services / assistance to residents.</p>	HIGH	LOW	Strategic Director of Children's and Adults' Services	Director of Children and Families	
<p>7.5 (Legal & Regulatory)</p> <p>Non UK EU nationals who may lose the right to vote in local and national elections are not correctly informed.</p>	<p>Advice from and requirements of the council will be dependent on arrangements put in place by central government. The council will therefore ensure that any changes in voting eligibility are taken account of and appropriately communicated with affected residents.</p>	MEDIUM	MEDIUM	Strategic Director, Finance & Governance	Director of Law & Democracy	

An explanation about risk categorisation

Above is a set of risks which the council have identified as being particularly pertinent with regards Brexit impact on our borough. The council identifies its risks using a framework that is agreed annually under our decision making processes. In every risk identification process there are six standard categories (although this doesn't mean that every category is displayed above and some risks may fall into more than one category). For clarity and transparency, the six categories the council use are:

- Economic – for example, a credit crunch that impacts on service delivery, the community and general economic situation
- Financial – for example, the council facing budgetary constraints caused by a range of factors such as loss of grant from government
- Reputational – for example, failures in service delivery that impact on how the council is perceived
- Staffing and Culture – for example, hiring and keeping staff
- Operational – for example, services not being delivered as planned or expected

Legal and Regulatory – for example, the council not doing what it is legally required to