

Democratic Services Section
Chief Executive's Department
Belfast City Council
City Hall
Belfast
BT1 5GS



Belfast
City Council

5th April, 2019

MEETING OF BREXIT COMMITTEE

Dear Alderman/Councillor,

The above-named Committee will meet in the Lavery Room - City Hall on Thursday, 11th April, 2019 at 4.30 pm, for the transaction of the business noted below.

You are requested to attend.

Yours faithfully,

SUZANNE WYLIE

Chief Executive

AGENDA:

1. **Routine Matters**
 - (a) Apologies
 - (b) Minutes
 - (c) Declarations of Interest
2. **Correspondence Received - FSB NI** (Pages 1 - 4)
3. **New Structures Established as part of UK Withdrawal** (Verbal Update)
4. **Update on Potential Implications of Brexit on ICC and Ulster Hall** (Pages 5 - 8)
5. **Update on Day 1 Preparedness** (Pages 9 - 12)
6. **Update on Support for Businesses** (Pages 13 - 16)



Subject:	Correspondence Received
Date:	11th April 2019
Reporting Officer:	Carolyn Donnelly, Democratic Services Officer
Contact Officer:	Carolyn Donnelly, Democratic Services Officer

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
	<p>The Committee will recall that at its meeting on 21st March, a deputation from the Federation of Small Businesses Northern Ireland (FSB NI) were in attendance and delivered a presentation to the Members on its proposal for Northern Ireland to be designated as an Enhanced Economic Zone. ,</p> <p>Subsequently, a follow-up letter from Mr. Brendan Kearney, FSB NI Regional Group Chair, dated 1st April, 2019, has been received (attached at Appendix 1).</p>
2.0	Recommendations
	Members are asked to note the correspondence.

3.0	Main report
	<p><u>Key Issues</u></p> <p>Following the presentation from Mr. D. Donnelly and Mr. N. Hutcheson at the March meeting of the Brexit Committee, Mr. Brendan Kearney has written a follow-up letter indicating that the FSB NI is keen for further engagement with the Brexit Committee, particularly in the event of a no-deal scenario.</p> <p><u>Financial & Resource Implications</u></p> <p>There no financial implications relating to this report.</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>There are no implications relating to this report.</p>
4.0	Appendices
	Appendix 1: Letter from Mr. Brendan Kearney, FSB NI Regional Group Chair

Carolyn Donnelly

Democratic Services Officer
Legal and Civic Services
City Hall
Belfast
BT1 5GS

Dear Carolyn,

April 1st 2019

Re: Designation of Northern Ireland as an Enhanced Economic Zone

Thank you for your invitation to present at your March meeting of the Belfast City Council Brexit Committee. Our representatives much appreciated the warm welcome, an opportunity to present the proposals of FSB members, to field questions and to take note of suggestions raised by Councillors.

In future we would be delighted to return and engage further with Committee members about the issues facing SMEs in Northern Ireland relating to Brexit. This may be more urgent in the event of 'No Deal' scenario.

In the meantime, thank you again for the opportunity, and best wishes for the Committee's ongoing work plan.

Yours Sincerely,



Brendan Kearney
FSB NI Regional Group Chair

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By virtue of paragraph(s) 3 of Part 1 of Schedule 6
of the Local Government Act (Northern Ireland) 2014.

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Subject:	Update on Brexit Day 1 preparedness
Date:	11 April 2019
Reporting Officer:	Nigel Grimshaw, Strategic Director City & Neighbourhood Services
Contact Officer:	Kim Walsh, Business, Research & Development Manager, City & Neighbourhood Services.

Restricted Reports	
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After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
	The purpose of this report is to outline for Members work that is currently being undertaken in relation to the Council's Brexit Day 1 preparedness.
2.0	Recommendations
	Members are asked to note this update.

3.0	Main report
	<p><u>Key Issues</u></p> <p>Members are reminded that that the Committee has been updated at its recent meetings on the work that is ongoing in relation to identifying potential Day 1 service implications in relation to Brexit. Members will be aware that there is ongoing uncertainty around the outcome and timings around exit, therefore Officers are currently preparing for a ‘no deal’ scenario.</p> <p>Members are reminded that the following actions have being undertaken:</p> <ol style="list-style-type: none"> 1) The Council’s critical services have completed Brexit Resilience Measures templates to identify the potential impact that Brexit may have on service delivery over the period after exit from the EU and the necessary resilience measures that need to be taken before the exit date. 2) Responsible officers have reviewed and updated their Business Continuity Plan ensuring that it deals with service delivery post Brexit, and have communicated it to relevant staff. <p>Members are also reminded that a process had been put in place whereby emergency planning staff will provide situational reporting and daily position statements to the Council’s senior management team on critical services. A process for internal situational reporting has been developed. Critical services will be asked to email the report to the Emergency Co-ordination Centre (ECC) email address each morning in order to allow Emergency Planning to collate the information and escalate any emerging issues. Collated information will be sent to the reporting points on a daily basis and where appropriate forwarded to Chief Officers, Heads of Services, Corporate Communications and Elected Members.</p> <p>Officers are also working with relevant partners in relation to external situational reporting and the need to report on a daily basis into a central command hub. If this becomes necessary it will be added into the internal reporting process.</p> <p>Members are advised that this process went live w/c 25th March and reporting took place for several days, however due to the change of the exit date from 29th March and uncertainty around the timings of the exit, it was decided by the NICS that daily reporting was not required at this point and that the frequency of reporting would be kept under review as the situation evolves. Members should note that period of reporting was a good test of the reporting arrangements and offices are confident that the process works and can be activated as required.</p> <p><u>Financial & Resource Implications</u></p>

	<p>There are no financial implications relating to this report but the work that is being undertaken to further define potential day 1 impacts, risks and mitigations may have financial and resource implications and these will be reported to the relevant committees as required. It is likely that there will be direct costs associated with preparing for Brexit e.g. in relation to civil contingency planning, and where possible these will be claimed back from central government.</p> <p>Members should note that the Council has not included an increase in its recurrent budgets because of the uncertainty, however, if one-off costs are to be incurred these will be financed through Council's general reserves.</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>There are no implications relating to this report.</p>
	<p>Appendices</p>
	<p>None</p>

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Subject:	Brexit: update on support for businesses
Date:	11 th April 2019
Reporting Officer:	John Greer, Director of Economic Development, ext. 3470
Contact Officer:	Lisa Toland, Head of Economic Initiatives & International Development, ext 3427

Restricted Reports	
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Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	The purpose of this report is to outline for Members the support that is currently available for businesses with regard to Brexit.
2.0	Recommendations
2.1	Members are asked to note this update.
3.0	Main report
3.1	<u>Key Issues</u> Members have received a range of advice with regard to potential impacts and benefits from Brexit. In particular, a special meeting of the City Growth and Regeneration Committee (November 2017) held a discussion of the potential economic impact. The

	meeting also considered Belfast’s resilience to meet any challenges and take advantage of any opportunities associated with Brexit within the context of the Belfast Agenda and Local Development Plan. This discussion was informed by a range of experts including Prof Neil Gibson (EY) and Dr Eoin Magennis (Ulster University Economic Policy Centre (UUEPC), Dr Stevie Nolan (Trademark) and Dr Katy Hayward (Queen’s University Belfast). Research prepared by the Nevin Economic Research Institute was also circulated to inform discussions.
3.2	At the end of October 2018, representatives from various sectors across the city met with members at a workshop to discuss their views on Brexit and identify any concerns or opportunities.
3.3	At the same time, work was progressing on the Belfast City Region Deal. The deal was developed with consideration of the potential implications of Brexit through economic research and modelling by the UUEPC. The Economic Growth Forum, which includes representatives from the city’s anchor institutions, and business representative groups such as the CBI and Chamber of Trade was also involved in discussions on Brexit and contributed to the development of the deal.
3.4	The implications for businesses, identified via the work outlined above, can be broadly classified as immediate/short-term, and longer-term.
3.5	<u>Shorter-term support</u> In the shorter-term, the main issues relate to uncertainty and confusion as to what the final version of Brexit will be, and the resulting practical implications, especially relating to cross border imports and exports. The committee has already heard about most of the support mechanisms that are in place. These include:
3.6	<i>InterTrade Ireland</i> - support for SMEs is available on their website . The main support available for SMEs is a financial contribution of up to £2,000 towards professional advice in relation to Brexit matters. This support is available to companies based on the island of Ireland. The eligibility criteria for applying for the support is:
3.7	<ul style="list-style-type: none"> • Applications must be from an SME (250 employees or less) and Turnover < €40M or £ sterling equivalent. • The business must have a satisfactory trading record. • The assistance requested must relate to a Brexit issue. • Companies based in Ireland must submit a valid tax clearance access number, along with their application form.
3.8	Additionally Inter-trade Ireland are providing: <ul style="list-style-type: none"> • Brexit events to provide advice and information. • An advisory service. • Information on the tariffs that would apply in the event of a no-deal. • Advice on cross-border trading.
3.9	<i>InvestNI</i> – are providing a range of services to support businesses in relation to Brexit. These include: <ul style="list-style-type: none"> • A “Get Ready for Brexit” website offering best practice guides, information advice and support. • An online assessment tool to help businesses identify any action they may need to take.

<p>3.10</p>	<ul style="list-style-type: none"> • Regional workshops to help businesses understand the implications, risks and opportunities of Brexit. • A Brexit Preparation Grant providing financial assistance to Invest NI customers.
<p>3.11</p>	<p><i>The Northern Ireland Chamber of Commerce and Industry</i> provide Brexit advice in the form of a FAQ and checklist, and links to other sources of help.</p>
<p>3.11</p>	<p><i>The UK Government</i> – provide a range of Technical documents including:</p> <ul style="list-style-type: none"> • Step-by- step guidance on exporting and importing, which is designed to help businesses understand the key actions they will need to carry out in order to continue trading with the EU in the event that the UK leaves the EU without an agreement, and; • General advice and preparing for Brexit (a Brexit readiness tool). • Specific guidance on issues such as exporting animal products, importing high risk foods, consumer rights, etc, and • Helping EU employees to stay in the UK after Brexit (EU Settlement Scheme: employer toolkit).
<p>3.12</p>	<p><i>NI Direct</i> also provide signposting to various sources of Brexit advice via their website.</p>
<p>3.13</p>	<p><i>The Irish Government</i> – provide a range of advice and support for businesses. As well as more general Brexit information. Whilst this information is aimed at Irish businesses some of it may also be of use to those business who export to and import from Ireland. For example, there is information about road haulage.</p>
<p>3.14</p>	<p><i>Council</i> – are signposting businesses to our services and other sources of advice via our website, the City Matters Magazine, and through our business networks.</p>
<p>3.15</p>	<p>Officers are also working with partners to host an information day on the UK Settlement Scheme, as requested by the Brexit Committee. As well as being supportive of local residents, this will help local businesses in the short term by helping them to retain EU Employees.</p>
<p>3.16</p>	<p>For certain sectors we are providing more direct support and specific online guidance. For example, Brexit may affect local food producers/exporters. Consequently, the Council's Port Health Unit have been working closely with DEFRA, DAERA, the Food Standards Agency and local importers to develop and roll out a new UK IT system for the pre-notification of import of high risk food to replace the existing EU TRACES system which may no longer be available, we have also gathered and analysed data to estimate and prepare for additional checks that may be required for transited products (imported foods travelling through the EU destined for the UK)</p>
<p>3.17</p>	<p>In a no deal scenario every export consignment of animal origin destined for the EU must be certified as meeting the necessary health requirements. Whilst this is primarily a DAERA responsibility, council EHOs may certify fish, eggs and products containing. We have been assisting DAERA by contacting businesses to establish their certification requirements and establishing procedures for businesses to apply to Councils for certification by EHOs where possible. We have been working closely with DAERA and the FSA to support the organisation and delivery of workshops and taking opportunity to signpost government advice to help businesses understand the potential changes and how to prepare for a no deal BREXIT. Guidance for the food industry has been provided on the Council's website - online guidance.</p>

3.18	We are providing additional training for EHOs both inland and at Port on the new IT systems and processes and to ensure we have sufficient trained officers to deliver additional services on exit.
3.19	<p><u>Longer-term support</u> The Belfast Agenda set out the key challenges for the city – the need to grow the population, increase the business base and the value of exports, whilst encouraging innovation and tackling the levels of economic inactivity in the city. While there are different opinions about the eventual impact of Brexit, in basic economic terms any impacts or opportunities are likely to involve either a decrease or an increase in:</p> <ul style="list-style-type: none"> • Business start rates • Business growth rates • Export opportunities and potentially different export destinations • Levels of investment • Employment levels • Demand for different skill sets.
3.20	<p>In addition to major programmes such as the Belfast Region City Deal, the council has been increasing the support it offers in all of these areas over the last few years and now has a range of interventions and strategies in place. The City Growth & Economy Committee approved the programmes of work for Growing the Economy, Working and Learning, and International Relations for 2019/20 on 6th March, 2019. These include a range of programmes to help:</p> <ul style="list-style-type: none"> • People to start a business via training, mentoring, awareness of opportunities, access to financial support, and space to start to trade. • Growing an existing business via better management, marketing & sales, procurement, and accessing new export markets, etc. • People to invest in Belfast and so support local businesses and jobs. Additionally we will be delivering the International Relations Framework as well as targeting investors through activities such as MIPIM. • Employment Academies across a range of sectors including transport, tourism, health and care, construction etc. • Youth initiatives to tackle educational inequalities and to provide coherent pathways to training and employment. • Support for the long-term unemployed and economically inactive.
3.21	However, the exact nature of Brexit is still unknown and so therefore are the final impacts. Hence there may be a need to tailor and adapt our approaches to address problems and opportunities as they emerge. Depending on the scale of the impacts, it may also become an option to change the level of support that council provides to particular areas. Officers will continue to work with the city’s major stakeholders and members to monitor these changes and discuss options for emerging issues as appropriate.
	<p><u>Financial & Resource Implications</u> There are no immediate financial implications relating to this report.</p> <p><u>Equality or Good Relations Implications/Rural Needs Assessment</u> There are no implications relating to this report.</p>
4.0	Appendices
	None