

# Brexit Committee

Thursday, 21st November, 2019

## MEETING OF BREXIT COMMITTEE

Members present: Councillor de Faoite (Chairperson);  
Alderman Rodgers; and  
Councillors D. Baker, Brooks, Collins,  
Flynn, Graham, Hanvey, Hutchinson,  
Magennis, McKeown, McLaughlin and Walsh.

In attendance: Mr. N. Grimshaw, Strategic Director of City and  
Neighbourhood Services;  
Mr. J. Greer, Director of Economic Development;  
and  
Ms. E. McGoldrick, Democratic Services Officer.

### **Apologies**

Apologies were reported on behalf of Alderman Haire and Councillors Canavan, McAteer and Newton.

### **Declarations of Interest**

No declarations of interest were reported.

### **Response from European Committee of the Regions**

The Committee noted the response which had been received from the European Committee of the Regions in relation to the allocated seats of the Northern Ireland Representatives in the European Committee of the Regions.

### **Presentations**

#### **Federation for Small Businesses**

The Chairperson welcomed to the meeting Mr. D. Donnelly, External Affairs Advisor, and Ms. M. McMahon, Development Manager, representing the Federation for Small Businesses (FSB).

Ms. McMahon provided an overview of the work of FSB Northern Ireland, including its collective campaigning to ensure the policy environment was one where small businesses could thrive. She stated that the FSB had 6,000 Members in Northern Ireland and 160,000 Members across the UK.

She highlighted the term small business, meant fewer than 250 employees which accounted for the vast majority of all businesses across the UK and in terms of the FSB membership, 90% had fewer than 20 employees.

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She stated that small businesses were at the core of the local economy and employed more people in Northern Ireland than all larger businesses and the entire public sector combined and were embedded in the communities in which they operated.

She advised that the FSB highlighted small business issues, and ensured its members' interests were being represented at all levels, so that the priorities and concerns of the small business sector were being considered. She pointed out that, in relation to Brexit, they had regularly engaged with its Members to ascertain what would matter most to them, under a range of scenarios.

She summarised the findings of the Brexit Preparedness Survey which they had undertaken with its Members, in relation to trade, impact of a 'No Deal' Brexit, change to tariffs, the cost of preparedness and uncertainty, diversification, and understanding of the potential impact that Brexit might have.

Mr. Donnelly provided details of their analysis in relation to the current proposed withdrawal agreement and what it meant in practical terms to the businesses in Northern Ireland.

He highlighted concerns in relation to the potential for new barriers to the import and export market, and the level of documentation required for declarations, together with the additional cost per consignment.

During discussion, Ms. McMahon and Mr. Donnelly answered a range of questions in relation to the impact of Brexit on supply chain management, the agri-food sector, regulation checks in the Irish Sea, potential job losses, and the transition period.

The Chairperson thanked the representatives for attending and they retired from the meeting.

The Committee noted the information which had been provided.

**Additional Item – Mr. G. Gudgin, Policy Exchange**

With the permission of the Committee, the Chairperson welcomed Mr. G. Gudgin, Chief Economic Adviser, Policy Exchange.

Mr. Gudgin suggested that Brexit had been made more complex by disinformation and that analysis of the impact of Brexit by the Treasury could be pessimistic.

He advised that, from the election modelling which had taken place, he believed that a Conservative majority was likely in the next election.

He described the different scenarios of potential trade agreements and advised that Northern Ireland might be affected if a Cheap Food Policy was introduced in Great Britain, as it would be more difficult to compete.

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He stated that, if a free trade agreement was confirmed, Northern Ireland's position to trade might result in no tariff barriers with some regulation checks on certain goods.

He expressed the view that the media printed a lot of inaccurate information in relation to the impact of Brexit. He suggested that the Northern Ireland Life and Times Survey illustrated that support for a United Ireland was at 20%.

He advised that there were already wider interlocking trade agreements established by the EU and suggested there would be no great economic advantage for the UK to leave or remain in the EU.

During discussion, Members raised concern with the statements which had been made by Mr. Gudgin in relation to Irish Unity, potential job losses and austerity, leaving the single market and the economic impact of Brexit on Northern Ireland.

Mr. Gudgin answered a range of questions from the Committee, in regards to the alignment of regulation to the EU, the technology changes possible in a short timeframe, border controls, smuggling of goods, economic impact reports and the contradictions in the current Deal from the initial Brexit campaign literature.

The Chairperson thanked Mr. Gudgin for attending and he retired from the meeting.

Noted.

**Belfast - Dublin Corridor Update**

The Director of Economic Development advised that the report in relation to the Belfast – Dublin Corridor (copy available [here](#)) had been considered by the City Growth and Regeneration Committee at its meeting on 6th November. He reported that the Committee had adopted the recommendations to note the outcomes from the research paper undertaken by UU Economic Policy Centre and Dublin City University and endorse the emerging plans for the Belfast-Dublin Economic Corridor, and had agreed the following:

- i. that officers inform the other participating councils of the Committee's request for consideration to be given to including good growth, inclusive growth, housing, just transition and a reduced/zero carbon approach within the priority sectors referred to within paragraph 3.18 (iii) of the report;
- ii. that information on the good growth index score for Belfast and for the other regions along the corridor be submitted to a future meeting;
- iii. to note the conference which had been scheduled for February 2019 to highlight co-operation opportunities along the corridor would now be delivered as part of an overall work plan; and

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- iv. that the pre-feasibility study on the potential Belfast - Dublin fast rail link, which had been presented to the Committee on 9th January, be circulated to Members.

He advised that the scope for the quantitative modelling research was subject to agreement by the other Council's involved in the project and would be considered at a workshop of the Partnership in December.

Noted.

**Day 1 Readiness**

The Strategic Director of City and Neighbourhood Services provided an update on the Civil Contingency Arrangements which included the following:

- Due to the extension and the general election, reporting structures had now been stood down;
- Depending on the outcome of the general election, there could be a range of Brexit related outcomes so the Council needed to continue to be ready to stand up again if required; and
- A review of the Business Continuity Management process would be undertaken for the Council's critical services to prepare for the various scenarios.

During discussion, the Strategic Director of City and Neighbourhood Services confirmed that work was continuing with DAERA and the Department for Communities in relation to Day 1 Readiness.

In response to a question from a Member in relation to Vulnerable Groups, he advised that support for front line staff in dealing with vulnerable people was ongoing.

The Committee noted it would be kept updated on the Contingency Arrangements process.

**Response from Simon Coveney T.D**

The Committee noted the response which had been received from the Tánaiste and Minister for Foreign Affairs and Trade, Simon Coveney T.D. in relation to his inability to attend a future meeting of the Brexit Committee.

**Issues Raised in Advance by Members**

**Invite Europe Minister – Helen McEntee TD**  
**(Councillor De Faoite to Raise)**

The Committee agreed to invite Helen McEntee TD, Minister for European Affairs and Aodhan Connolly, Director of Northern Ireland Retail Consortium, to a future meeting of the Committee.

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The Committee also noted that it would review its work plan of future presentations in January.

Chairperson