

6 January 2021

Agenda Item: 6

REPORT OF SERVICE DIRECTOR FOR PLACE AND COMMUNITIES

EUROPEAN UNION TRANSITION RISK AND REGISTER

Purpose of the Report

1. To inform members of the consideration given to risks for the Council arising from the UK's transition from the European Union (EU).

Information

2. Members will be aware from previous reports to the Committee that the UK's transition from the EU has been flagged as a significant issue in the Council's Annual Governance Statement (AGS) for the past few years. The AGS gives rise to a rolling Governance Action Plan for the Council, which is kept under continual review and reported the Committee on a regular basis. The most recent update in October 2020 contained the following with regard to EU transition:

Brexit implications for the Council

With ratification of the Withdrawal Agreement, the UK left the EU with a deal on 31 January 2020. The Government has now moved into a transition / implementation period in which it is negotiating its future relationship with the European Union. The Government's position is that it is expected to have a trade and other relevant agreements in place by December 2020. The Council's risk assessment is being updated to ensure appropriate mitigations are planned for the scenario that trade negotiations are not be completed in this timescale.

3. The risk register, referred to above, was initiated soon after the referendum result in 2016. Using a network of appropriate managers across the organisation, the implications for the Council of Brexit and EU transition have been identified, risk-assessed and kept under regular review to keep in step with developments. This topic has been the subject of a number of Freedom of Information requests since the date of the referendum, and the risk register has been released when requested.
4. The Council's corporate approach to risk management has been applied in drawing up and maintaining the register:
 - To identify risk sources and triggers for the Council's services through the transition period
 - To identify current controls in place which mitigate either the likelihood or impact of the risk

- To keep under consideration whether any additional actions are warranted to further mitigate assessed risk levels.
5. The up-to-date risk register for EU Transition is attached as Appendix 1, which is formed of two parts:
- Part 1 – sets out a summarised entry for the Council’s corporate risk register, highlighting the key areas for attention and an overall risk rating
- Part 2 – the detailed register, itemising each risk source/trigger, current mitigations and a Red/Amber/Green (RAG) rating for each entry.
6. The risk register confirms that the Council’s risk exposure on this issue is not assessed to be significant. The Council has been, and continues to be, pro-active in keeping developments under review and taking all reasonable actions to safeguard the continuity of essential services.
7. At the time of submitting this report, the nature of the UK’s trading relationship with the EU from 1 January 2021 was still unclear. Committee will be updated on any significant change in risk for the Council as a result of subsequent developments.

Other Options Considered

8. The Council is committed to keeping its key risks and significant governance issues under regular assessment and review, therefore the option of not recognising EU transition as a matter for active risk management was rejected.

Reason/s for Recommendation/s

9. To provide Members with the opportunity to consider whether any further reports or actions are required to help safeguard the Council’s essential services in the immediate, post-EU transition period.

Statutory and Policy Implications

10. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

The network of Service Directors and Group Managers who have been regularly consulted in the establishment and maintenance of this risk register have contributed their input to set out the potential implications for a number of statutory and policy implications. In particular, the risk register details considerations in relation to: crime and disorder; data protection and information governance; finance; and human resources.

RECOMMENDATION/S

1) Members determine whether there are any further reports or actions required at this time, and Members agree to receive a further update on the EU transition risk register as part of the scheduled reports on corporate risk management and the Council's governance action plan.

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For any enquiries about this report please contact:

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Constitutional Comments (EKH 08/12/2020)

11. This report is appropriate to be considered by Governance and Ethics Committee and they have the power to make any resolution resultant upon the recommendation.

Financial Comments (RWK 07/12/2020)

12. There are no specific financial implications arising directly from the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All