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<b>Report To:</b>	<b>Environment and Regeneration Committee</b>	<b>Date:</b>	<b>17 October 2019</b>
<b>Report By:</b>	<b>Corporate Director Environment, Regeneration and Resources</b>	<b>Report No:</b>	<b>ENV050/19/MM</b>
<b>Contact Officer:</b>	<b>Martin McNab</b>	<b>Contact No:</b>	<b>01475 714246</b>
<b>Subject:</b>	<b>Withdrawal From the European Union - Update</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to update the Committee on actions taken to mitigate the potential risks arising from EU withdrawal including a 'no deal' Brexit.

## 2.0 SUMMARY

- 2.1 This report covers a number of areas of work arising from Inverclyde Council's planning for a no deal Brexit. These include the Council's Brexit Risk Register which can now be published as a result of the Scottish Government's Reasonable Worst Case Scenario (RWCS) planning assumptions.
- 2.2 The estimated short to medium term impact of a no deal Brexit on the Council's finances is also covered in section 4.3. This estimates an impact of approximately £1.1m were all the assumptions to be sustained for a 12 month period. There is obviously scope for further impacts on the Council's finances and on the economy of Inverclyde depending on the national economic impact.
- 2.3 Section 6.0 of the report covers the Scottish Government's estimates of local level Brexit vulnerabilities. Under this analysis 18% of intermediate data zones in Inverclyde are amongst the 20% predicted to be most affected by a no deal Brexit.
- 2.4 The report also covers contingency planning arrangements for a no deal Brexit, legislative issues and the uptake of the EU settlement scheme in Inverclyde.

## 3.0 RECOMMENDATION

- 3.1 That Members approve the actions taken to mitigate the impact of a no-deal EU exit in Inverclyde.

**Martin McNab**  
**Head of Environmental & Public Protection**

## 4.0 BACKGROUND

- 4.1 This report updates Members on planning and coordination activities in Inverclyde in the lead up to a potential no deal Brexit. This include the Council's Brexit Risk Register attached at Appendix 1. This has up until now been a restricted document, deriving as it does from the Scottish Governments Reasonable Worst Case Scenario (RWCS) planning assumptions which were categorised as "Official Sensitive" up until their publication on October 8 2019.
- 4.2 As well as publishing its Brexit Risk & Mitigation Documents and the RWCS planning assumptions the Scottish Government published an analysis of the impact of Brexit at a local (intermediate data zone) level on 9 October 2019. Details of this analysis and how it relates to Inverclyde is given in section 6.0 below.
- 4.3 Inverclyde Council has provided cost estimates to the Scottish Government through SOLACE on the estimated financial impact of Brexit to the Council. It should be noted that these estimates represent high level scenarios and are based on these cost pressures being sustained over a 12 month period. The estimates are included at Appendix 2 and total £1.1Million. The estimates are for costs to Inverclyde Council alone rather than to the overall economy of Inverclyde. It should further be noted that there is obviously a potential for a far greater impact arising from the impact on public funding. The Fraser of Allander Institute estimates a 5% reduction in GDP arising from a no deal Brexit. This is comparable to the 2008 financial crisis and, if correct, would have a significant impact on both the demand for services and on likely future funding of local government. [Brexit and The Sectors of The Scottish Economy 2019 Update Fraser of Allander Institute.](#)
- 4.4 Inverclyde Council continues to be represented at and to liaise with a number of partners over the risk of a no deal Brexit. These include a number of COSLA groups and our multi-agency contingency planning partners at a local, regional and national level. Details of these work streams are given in Section 7.0 below.
- 4.5 Previous reports to both this Committee and to the Policy & Resources Committee have covered the immediate impact on the Council of EU Exit in terms of our ability to enforce legislation of European origin and have amended the Scheme of Delegation to ensure that this is as seamless as possible. There will undoubtedly be longer term impacts depending on decisions made at a UK and Scottish level on future regulatory policy.
- 4.6 Section 9.0 below gives details of applications to the EU Settlement Scheme in Inverclyde. It is relatively difficult to give an accurate estimate of the percentage of EU citizens resident in Inverclyde applying for settled status. It is likely to be somewhere between 11% and 33% at the time of writing.

## 5.0 NO DEAL EU EXIT RISK REGISTER

- 5.1 The version of Inverclyde Council's Brexit Risk Register current at the time of writing this report is attached at Appendix 1. The Risk Register has not been released publicly to date as it is based upon the Scottish Government's Reasonable Worst Case Scenario (RWCS) planning assumptions. These planning assumptions are based upon the UK Government's Yellowhammer documents but are adapted to fit the Scottish context. Up until 8 October the RWCS assumptions had not been publicly released and were rated Official Sensitive hence the need to keep the Inverclyde Risk Register private until now.
- 5.2 The Risk Register is based upon officers' analysis regarding whether the individual issues identified in the national RWCS are considered to be a local risk in Inverclyde and, if so, what the overall risk rating is for that issue. The Risk Register is considered and updated at each meeting of Inverclyde Council's Crisis & Resilience Management Team (CRMT) which has taken overall tactical responsibility for Brexit planning. The frequency of CRMT Brexit planning meetings has obviously increased as we approach the potential date of a no deal exit. At a strategic level the risk register is considered regularly at the Council's CMT.

## **6.0 BREXIT VULNERABILITIES IN INVERCLYDE**

- 6.1 On 9 October the Scottish Government published an analysis of Local Level Brexit Vulnerabilities in Scotland. This analysis looked at local vulnerabilities at an Intermediate Data Zone level to a range of variables. These were as follows:

Access to Services  
Working Age Population  
Income Deprivation  
Population Change  
Workers in Brexit Sensitive Industries  
EC Payments (Including both EC CAP payments & European Structural Funds)  
EU Migration

Data zones were ranked according to their vulnerability to each and also given an overall vulnerability ranking. The wide range of variables creates a picture across Scotland which varies quite markedly from the more usual SIMD data with very different data zones featuring in high deciles for completely different reasons. Overall rural areas are found to be a greater risk to the full range of variables than urban areas. Individual urban data zones can be very vulnerable however on the grounds of income deprivation.

- 6.2 Overall 14 of the 114 data zones in Inverclyde featured in Decile 1 (12%). 21 of the 114 data zones featured in Deciles 1 and 2 (18%). The reasons for these high rankings obviously vary between data zones. The most common individual high rankings contributing to overall high vulnerability to Brexit were, unsurprisingly, income deprivation and population change. This correlates strongly with the Inverclyde Risk Assessment which rates the effect of Brexit on low income groups as the most significant risk to Inverclyde.
- 6.3 The full analysis with more detailed breakdowns is available on the Scottish Government's website at <https://www.gov.scot/publications/local-level-brexit-vulnerabilities-scotland-brexit-vulnerabilities-index-bvi/>.

## **7.0 LOCAL AND NATIONAL RESPONSE ARRANGEMENTS**

- 7.1 The possibility of a No Deal EU Exit is being treated by the Scottish resilience community as an incident requiring planning and response albeit unusually an incident for which we have advanced notice. Obviously as well as the particular detailed resilience planning detailed here there has also been significant planning taken forward by the UK and Scottish Governments and, on behalf of local authorities, by COSLA.
- 7.2 From a resilience perspective planning is being led by the Scottish Resilience Partnership (SRP). This group is chaired by Police Scotland and includes representatives of all category 1 responders including NHS, Scottish Ambulance Service, Scottish Fire & Rescue and Local Authorities. This group has had regular meetings in the run up to 31 October. The SRP is comprised of representatives of the 3 Regional Resilience Partnerships. Inverclyde Council is a member of the West of Scotland Regional Resilience Partnership (WoS RRP). The WoS RRP co-ordinates resilience across an area made up of the former Strathclyde plus Dumfries & Galloway. Brexit issues were discussed at a meeting of the WoS RRP in mid-September.
- 7.3 Local multi-agency planning, including risk and mitigation for Brexit is undertaken by the West Local Resilience Partnership (LRP). The West LRP covers Inverclyde, Renfrewshire & East Renfrewshire and Inverclyde Council is represented on that group by the Civil Contingencies Service which also provides the secretariat. As well as bringing together the local Cat 1 responders to plan for incidents the LRP will also co-ordinate updates on issues post Brexit to the RRP and upward to Scottish Government.
- 7.4 From Monday 21 October a Multi-Agency Coordination Centre (MACC) will be in operation at Bilston Glen. The MACC will host representatives of all category 1, and where necessary category 2, responders as required. The MACC will also receive updates from all partners on issues arising in the lead up to and post Brexit. Inverclyde Council will report any issues arising to the MACC on an exception basis through the CCS and LRP.

7.5 COSLA has an EU Exit Coordinator funded by the 32 local authorities. COSLA is also hosting, on an ongoing basis, twice weekly Local Authority Resilience Group Scotland (LARGS) teleconferences at which Inverclyde Council is represented by the Civil Contingencies Service. The Council's tactical Brexit lead also dials into the EU Exit all Councils conference call every two weeks. COSLA is also operating as a clearing house for a number of requests for information on Council planning for Brexit.

7.6 There is also nationally a multi-agency group looking at recovery from a no deal Brexit. As recovery from incidents is generally led by local government this group is chaired by a senior officer from East Lothian Council. The normal role of such a group post incident is to lead on the return to normality.

## **8.0 LEGISLATIVE & REGULATORY ISSUES**

8.1 Withdrawal from the European Union has the potential to affect the powers of officers under a wide range of European derived legislation including, but not exclusively, environmental, food safety and product safety legislation. Separate reports were made to the May 2019 Environment & Regeneration Committee and to the May Policy & Resources Committee ensuring that delegated powers to authorise officers remained up to date in the event of a no deal Brexit.

8.2 There will of course be longer term impacts on a range of regulatory areas arising from Brexit. These will depend on future regulatory approaches taken at both a UK and Scottish level and cannot be predicted with any certainty at this stage.

## **9.0 EU SETTLEMENT SCHEME**

9.1 COSLA recently circulated to local authorities statistics from the Home Office on applications to the EU Settlement Scheme (EUSS) from August 2018 to June 2019 by local authority. These statistics showed that as of June 110 applications had been made to the scheme by residents in Inverclyde. The total applications in the UK at that point was 907K and in Scotland 45K. The Home Office has since released data for August 2019 but this is not broken down by Local Authority. The overall UK figures were up to 1.3M and in Scotland 68K. Extrapolating the Inverclyde figures from the Scottish increase would give a total of 165 applications as of August.

9.2 The data on EUSS applications was accompanied by estimates from National Records of Scotland on population by birth and nationality. For Inverclyde the estimate is 1,000 residents although as these estimates are to the nearest 1,000 this could obviously represent anything from 501 to 1500. As such the EUSS applications to the end of June might represent between 7% and 22% of EU citizens resident in Inverclyde. The equivalent estimate to the end of August would be 11% to 33%. It should be noted that EU citizens resident in the UK at the time of Brexit have until the end of June 2021 to apply. Irish citizens do not need to apply for settled status.

9.3 Inverclyde Council and the HSCP have relatively low numbers of employees who are citizens of EU countries other than the UK and Ireland. Both the Council and the HSCP have publicised the schemes to relevant employees.

## **10.0 IMPLICATIONS**

### **10.1 Finance**

High level estimates of the financial impact of a no deal EU Exit are noted at 4.3 above. In the event these cost pressures were experienced and funding was not forthcoming from the UK or Scottish Governments, then the Council would need to utilise the remaining inflation contingency balance and in the event this was not sufficient then utilise the Council's 2% Contingency Reserve. In the event that any implications were estimated to be sustained in the medium term then the Council's future budgets would require to be adjusted accordingly.

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
Various	Various	2019/21	1080		Based on high level assumption sustained over a 12 month period

Annually Recurring Costs/(savings)

Cost Centre	Budget Heading	With effect from	Annual net impact £000	Virement From	Other Comments
N/A					

## 10.2 Legal

There are no immediate legal issues arising from this report.

## 10.3 Human Resources

There are no immediate HR issues arising from this report.

## 10.4 Equalities

Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
X	NO - This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

## 10.5 Repopulation

It is possible that future restrictions on inward migration to the UK arising from Brexit will have a negative impact on repopulation in Inverclyde although it should be noted that the estimates of current numbers of EU citizens in Inverclyde are relatively low.

## 11.0 CONSULTATIONS

11.1 The contents of this report are informed by the Council's CRMT which includes representatives of all services and the HSCP. Additionally the CMT has been consulted on the contents of Appendix 1 and the Chief Financial Officer on Appendix 2.

## 12.0 BACKGROUND PAPERS

12.1 Withdrawal From the European Union, Environment & Regeneration Committee March 2019 ENV018/19/MM  
 Delegated Powers: Authorisation of Officers, Environment & Regeneration Committee May 2019 ENV019/29/MM  
 Scheme of Delegation (Officers), Policy & Resources Committee May 2019 LP/067/19  
 Withdrawal From the European Union – Update, Environment & Regeneration Committee 17 October 2019 ENV050/19/MM

APPENDIX 1

Organisation: **Inverclyde Council**  
 Risk Register: **Brexit**  
 Assessors: **Martin McNab**  
 Date: **11-Oct-19**  
 Version: **2.2**

Risk No	Planning Assumption Category	Scottish Government RWCS Planning Assumption Detail	Local Issue?	*Description of local RISK Concern (x,y,z)	IMPACT Rating (A)	L'HOOD Rating (B)	Quartile	Risk Score (A*B)	Change in Score	Current Controls	Who is Responsible? (name or title)	Additional Controls/Mitigating Actions & Time Frames with End Dates	Review Date
4	Disruption of Services	The RWCS assumes that low income groups may be disproportionately affected by price rises in utilities and services such as food and fuel.	Y	Potential major issue going forward in Inverclyde.	3	3	3	9		HSCP meeting Fareshare to discuss their approach in Inverclyde. Fareshare have been given further funding from SG. Scottish Government has also set aside £7M for a Rapid Poverty Mitigation Fund to "scale up current poverty mitigation measures including the Scottish Welfare Fund". Estimates of the impact and costs in Inverclyde have been provided nationally through SOLACE	Head of Strategy & Support Services HSCP/ Chief Financial Officer	Will need to assess impact on an ongoing basis. Further information on how the rapid poverty mitigation fund will be administered will be sought.	22/10/2019
1	Disruption of Services	The RWCS assumes that there will not be an overall shortage of food in the UK but it is likely there will be a reduction in choice due to border and supply chain disruption. Certain types of fresh food supply will decrease. This may lead to an increase in price. Whilst it is felt that the assumption regarding overall food supply holds true across the UK it is possible that the reduction in choice, particularly for perishable products, may be more marked the further north the end point for distribution lies. The UK growing season will have come to an end and the Agri-food chain will be under increased pressure due to preparations for Christmas. There is a risk that customer behaviour will cause or exacerbate food supply disruption.	Y	Potential issue with supplies to Schools and care homes. May result in reduction in choice. Early indications were that in the event of shortages that the nutritional standards in the Food and Drink in Schools (Scotland) Regulations might not be enforced in the event of a no deal EU Exit. The expectation is now that these standards should be achievable.	3	2	3	6.0		Education Services working to provide assurance that nutritional needs can be met through substitution/menu changes. Also looking at the feasibility of some strategic food supplies to facilitate this. Inverclyde HSCP is working with local provider organisations to assess areas of perceived or potential risk related to Brexit. To date, 30 out of 50 key providers have completed their assessments and most are not expecting experience any serious issues or shortages. For those providers who are anxious about potential impacts, these anxieties are mainly due to the uncertainty that still exists over the impacts of Brexit.	Head of Culture, Communities & Educational Resources / Head of Strategy & Support Services HSCP	Facilities management liaising closely with suppliers & Scotland Excel to mitigate against the effects of any short term shortages. A prudent approach is being taken with regard to stock levels held in Schools. HSCP officers will continue to work with providers to develop mitigation responses.	22/10/2019

2	Disruption of Services	The RWCS is that regional traffic disruption caused by border delays could affect fuel distribution. Customer behaviour could then exacerbate any localised shortages. The most significant single risk is fuel supply to London and parts of the South-East.	Y	At present indications are that this would be as risk in the South East but knock on effects cannot be excluded.	2	3	2	6.0	IC has significantly greater fuel reserves (diesel) than was the case earlier in the year. Currently we have 2.5-3 months supply of diesel. Education services have also sought reassurance from SPT on school transport contracts.	Head of Environmental & Public Protection/ Head of Culture, Communities & Educational Resources.	Situation will be kept under review	22/10/2019
3	Disruption of Services	The RWCS is that supply of medicines and medical supplies will be impacted by reduced flow rates across the short Channel straits.	Y	HSCP has identified risks around short supply of prescription only medication (POM)	2	3	2	6.0	NHS GGC is stockpiling common POMs such as statins, beta-blockers and anti-psychotic meds. NHS Scotland is stockpiling supplies and devices although it's recognised that parts for large machinery could be an issue and can't be effectively anticipated. The HSCP is also looking to develop an EMR for prescribing to build in additional resilience.	Head of Strategy & Support Services HSCP	Regular meetings between HSCP & GG & C HB. Actions around the contingency planning of private & 3rd sector partners mentioned above will also have an impact on this.	22/10/2019
5	Demonstrations and Disorder	Increased tensions in Northern Ireland as a result of EU Exit arrangements has the potential to influence certain communities in Scotland.	Y	West of Scotland communities may be vulnerable to this risk.	2	3	2	6	No particular concerns relating to Inverclyde raised at Strategic Counter Terrorism/Serious & Organised Crime (CT/SOC) meeting in Sept. Similar for September WoS RRP meeting.	Head of Environmental & Public Protection	Will continue to liaise with partners through normal CT-SOC arrangements to keep abreast of risks.	22/10/2019
6	Scottish Workforce	There will be a significant number of job losses across Scotland due to the loss of market access, increased export costs, or decisions to relocate – this change is unlikely to happen immediately at the point of a no deal.	Y	Risk likely to be across Scotland	3	2	3	6		Head of Planning & Economic Regeneration	Council will carry out contingency planning for the allocation of central government grants and subsidy should this be forthcoming to assist local employment.	22/10/2019

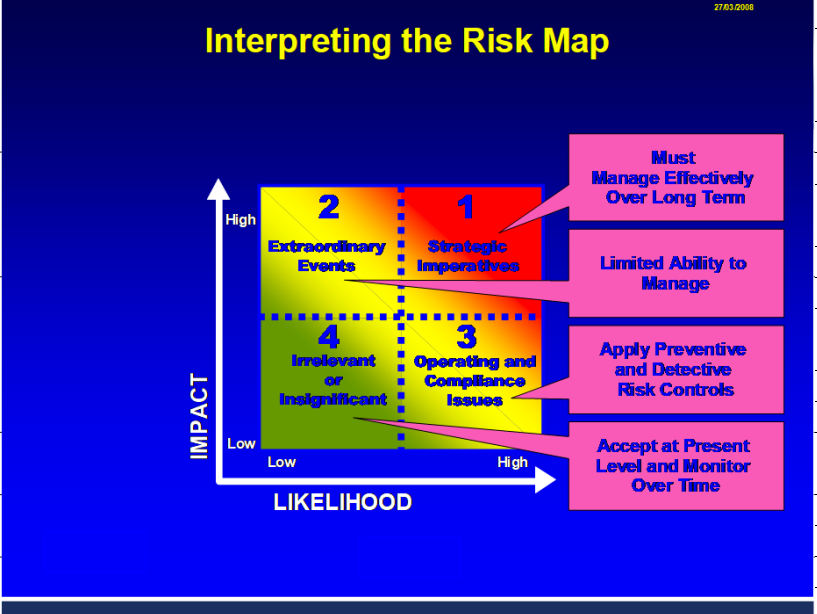
13	Travel, Freight and Borders	N/A	Y	There is no identified risk in the RWCS planning assumptions however consideration must be given to the potential risk of displacement of freight traffic to Greenock Ocean Terminal. This would primarily be a regulatory risk as it is unlikely that Public Protection would have the capacity in either Trading Standards or Environmental Health to deal with this. It should be noted that at present the bulk of activity at GOT is export rather than import.	2	3	2	6	In spite of there being no identified risk in the RWCS Planning assumptions The SG Mitigating Actions published on 8 October state that "Transport Scotland is also working with the logistics industry to explore promotion around the ability for some goods to be moved by container through existing services from Grangemouth and Greenock Ocean Terminal as an alternative to the short straits crossing."	Head of Environmental & Public Protection	An update will be sought from Transport Scotland & Peel Ports on the likelihood and nature of any additional imports & exports.	22/10/2019
7	Demonstrations and Disorder	Various risks in RWCS mostly centred around large population centres (Glasgow, Dundee, Edinburgh and Aberdeen) or impact on Police Scotland by mutual aid requests.	Y	Local impact if any will be likely to relate to reduction in police resource due to staff being redeployed elsewhere.	2	2	4	4	Good partnership arrangements and links already exist with Police Scotland.	Head of Environmental & Public Protection	Will discuss further at an area and divisional level and with Local Resilience Partnership (LRP) in run up to 31st October.	22/10/2019
8	Scottish Workforce	There will be a shortage of highly skilled workers in certain professions which currently rely on migrant workers – e.g. education and healthcare; public health veterinarians. While there will be no changes to the free movement of labour until the UK Government introduce new migration legislation, we do expect to see further pressures in areas that are already experiencing recruitment challenges.	Y	Not a Council risk but may be an issue for GG & C HB Acute sector	2	2	4	4.0	Consideration has been given to this risk but the exposure in Inverclyde is expected to be minimal.	Head of Strategy & Support Services HSCP	HSCP to keep abreast of any issues	N/A
9	Travel, Freight and Borders	Congestion at the short Channel straits crossing may lead to delays in the export of time sensitive and economically important goods such as fresh seafood. This could also result in animal welfare issues in the transport of livestock.	N	Not a local risk. May be a mutual aid issue with other local authorities however and risk assessed on that basis.	1	3	2	3	SoCOEH working closely with Food Standards Scotland, Marine Scotland & SG on mitigation.	Head of Environmental & Public Protection	Will keep abreast of national picture and situation with neighbouring authorities.	22/10/2019



10	Disruption of Services	The RWCS assumes that any disruption to reduce, delay or stop supply of medicines for UK veterinary use would impact the UKs ability to prevent and control disease outbreaks, with potential impacts for animal health and welfare, the environment, and wider food safety/availability and zoonotic diseases which can impact human health.	Y	Local implications would be as a result of national issue.	1	3	2	3			Head of Environmental & Public Protection	EH & TS will keep a watching brief with Health & Veterinary partners. If issues do arise they are likely to be downstream in time.	Nov-19
11	Travel, Freight and Borders	Reduction in capacity on the short Channel straits crossing - resulting in delay to the distribution of goods to Scotland. This would have residual consequences for a range of sectors that rely on just-in-time delivery of crucial supplies such as medicines and medical supplies, animal feed, and food ingredients.	Y	General food & medicines risk covered by linked disruption of services risks. In terms of food ingredients there may be a risk to local manufacturers.	1	2	4	2		Local manufacturers have been contacted & given advice by economic development. Links to Scottish Enterprise & Scottish Government advice including grant schemes on Council Website.	Head of Planning & Economic Regeneration		22/10/2019
12	Information & Data Sharing	Issues with flow of data between UK & EU	Y	Potential issues with data sharing with respect to food & feed safety and in respect of product safety. Indications are that UK will still have access to European alert systems but this is by no means guaranteed,	2	1	4	2		Council has responded to requests nationally regarding any vulnerabilities to issues around data sharing.	Head of Environmental & Public Protection	Will need to assess impact on an ongoing basis.	Nov-19
14	Travel, Freight and Borders	UK citizens travelling to and from the EU will be subject to increased immigration checks at EU border posts. Dependent on the plans EU member states put in place to cope with these increased immigration checks it is likely that delays will occur for UK arrivals and departures at EU airports and ports. This could cause some disruption on transport services and travellers may decide to use alternative routes.	N	Not a local risk. Cruise ship traffic which has not previously docked at a UK port very rare (at most one per year on transatlantic relocation). These are generally from outwith the EU therefore no change is foreseen.	0	0		0		N/A	N/A		N/A
3	Disruption of Services	The RWCS is that supply of medicines and medical supplies will be impacted by reduced flow rates across the short Channel straits.	Y	Pandemic Flu and Vaccine availability	0	1	0	0	1	Lastest Scottish Government information is that this year's flu vaccine is now in the country, so distribution will begin as per usual processes.	Head of Strategy & Support Services HSCP		N/A

15	Scottish Workforce	There will be a shortage of entry level workers, including those with lower skills, those who gain their qualifications largely through work based training, and those in less highly-paid sectors – the loss of free movement and anticipated changes to the UK Migration policies (a skills-based approach with continuation of minimum salary levels) is likely to significantly reduce the pool of workers currently servicing sectors such as hospitality, tourism, agriculture, food processing and social care.	N	Previous research shows no particular issues with workforce at this level in Inverclyde.				0.0			
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				<b>Requires active management.</b>	
High impact/high likelihood: risk requires active management to manage down and				Very High (16-25)	
				<b>Contingency plans.</b>	
A robust contingency plan may suffice together with early warning mechanism				High (10-15)	
				<b>Good Housekeeping.</b>	
ome risk mitigation to reduce likelihood if this can be done cost effectively, but good housekeeping to ensure the impact r				Medium (5-9)	
				<b>Review periodically.</b>	
Risks are unlikely to require mitigating actions but status should be reviewed frequen				Low (1-4)	



**BREXIT COST TEMPLATE****Council**

Inverclyde

**Contact****Cost information**

Please provide information on the 3 following categories:

**A: Internal council costs** associated with planning and preparedness for BREXIT (over and above the cost of council co-ordinator for which funding has been received).

**B: Additional service delivery costs** that apply to all councils and where pre-EU exit support would allow some advance action to mitigate potential impacts e.g. protection for vulnerable people such as increasing capacity of food bank provision and ensuring adequate levels of support available through the Scottish Welfare Fund.

**C: Extraordinary local costs specific** to some council areas for dealing with BREXIT e.g. ports.

<u>Description</u>		<u>Cost £'000</u>
<b>A: Internal council costs</b>		
1	The internal costs of Brexit planning thus far are hard to quantify given the number of staff involved. The fact that a sizeable proportion of the hours incurred are senior management time however adds to the expense. Probably to date this is just about covered by the Brexit coordinator funding however the amount of time spent on Brexit will undoubtedly increase as we approach 31 <sup>st</sup> October.	
2		
<b>B: Additional service delivery costs – Total £1.08million a year</b>		
1	Vulnerable people support  Based upon our current demand for the Scottish Welfare Fund it is entirely foreseeable that an increase in retail food and utility costs will lead to increased demand. This is hard to forecast exactly but an increase of 700 claims per year across Inverclyde (25%) would entail a direct cost of £65K and would also require additional resource of 1.5 DPT assessors at £45K.	110
2	Other areas	
	<b>Increased utility costs.</b>	

	Should utility costs (excluding water) increase by 10% this would have a direct impact on Inverclyde Council of £250K.	250
	<b>Increased Fuel Costs</b> A 10% increase in fuel costs would have an impact of £50K.	50
	<b>10% Increase in Food Costs</b> The 10% food cost increase forecast in the Public Sector Food Plan would have an impact of £100K.	100
	<b>Social Care Providers</b> The EU worker issue is not forecast to have a significant impact locally however the cost pressures outlined above will lead to providers approaching the Council for increased rates. Assuming about 20% of costs are non-employee for providers and these increase by 10% then this equates to a 2% increase A 2% increase in Care Home rates would cost Inverclyde Council £280k/year.	280
	A 2% overall increase in Home Care would cost £80k/year.	80
	A 2% increase in Learning Disabilities cost would be £170k	170
	Residential Childcare and ASN placements total around £2million, a 2% increase equals £40k/year	40
<b>C: Specific local costs</b>		
1	Currently Inverclyde has a major export port in the Greenock Ocean Terminal. Initial suggestions are that the operators are not expecting any significant changes to the operation of the port. Should there be a change in the current level of imports through the port however caused by knock on effects from congestion at southern ports this could lead to a major resource issue for Inverclyde's Environmental Health and Trading Standards services. A worst case scenario would be that the services would require 1 additional FTE across the two areas to address demand. This would cost £50K per annum.	50
2		

**Additional information**

Separate to funding, what is your top concern regarding short, medium and long term service delivery pressures that are or will be impacted by EU Exit? Please provide detail in the box below:

