

REPORT TO: POLICY AND RESOURCES COMMITTEE - 24 AUGUST 2020
REPORT ON: BREXIT UPDATE
REPORT BY: CHIEF EXECUTIVE
REPORT NO: 181-2020

1. PURPOSE OF REPORT

This report provides an update on developments regarding the UK's departure from the EU and on work being carried out to prepare for the implications.

2. RECOMMENDATIONS

It is recommended that members:

- (i) note the latest developments in the Brexit process;
- (ii) note the work being carried out to prepare for the implications.

3. FINANCIAL IMPLICATIONS

- 3.1 There are significant financial and operational risks for the Council associated with Brexit, which are likely to exacerbate the financial issues caused by Covid-19. These are being actively monitored by officers.
- 3.2 Fuller impacts will be assessed and reported to Committee when there is greater clarity on decisions about future trading agreements, availability of funding and actual impacts from leaving the EU.

4. LATEST POLITICAL DEVELOPMENTS

4.1 Progress with UK/EU Negotiations

On 15 June, the Prime Minister met by videoconference with the Presidents of the European Council, Commission and Parliament to take stock of progress with negotiations on the future relationship between the UK and the EU. Four rounds of negotiations had taken place by then, but it appeared that little progress had been made to resolve the most contentious issues identified from the start of the process i.e. the 'level playing field' and fisheries. State aid and fair competition has become an even more important issue in the 'level playing field' negotiations given Governments' responses to Covid-19. It was agreed that new momentum was required, with talks set to intensify and continue through July, August and September, though it appears that significant differences remain. The aim appears to be to reach a deal by October, so this can be ratified in time to come into force at the end of the transition period on 31 December. This is likely to require political compromises on both sides and perhaps a more streamlined agreement than both sides would have liked, with further discussions continuing into 2021 and beyond to add to whatever is agreed in the next few months.

Despite the lack of progress on the future relationship at that time, the UK Government confirmed during June that the transition period would not be extended beyond 31 December 2020, saying "The UK will regain its economic and political independence on 1 January 2021 at the end of the transition period". The Scottish Government, COSLA and others had called for the transition period to be extended, both to allow time for further negotiations on the future relationship and to take account of the impact on the economy of Covid-19, but these calls were rejected. The deadline for requesting an extension passed on 30 June and the transition period will end, by automatic operation of law, on 31 December 2020.

On 13 July, the UK government announced a new public information campaign setting out the "actions businesses and individuals need to take to prepare for the end of the transition period on 31 December 2020" under the headings 'Check, Change, Go'. Guidance for citizens and businesses, and a "checker tool", is published at <https://www.gov.uk/transition>.

The Scottish Government has expressed its concern that the voice of the devolved administrations is not being heard in the negotiating process and about the scope for scrutiny of any deal which is reached.

4.2 **Import Controls and Tariffs**

The UK Government did announce that - with or without a deal - checks on EU goods coming into the UK will be phased in next year to give firms "time to adjust". Recognising the impact of coronavirus on businesses' ability to prepare for changes to rules on trade, controls on imports coming from the EU will now be introduced in three stages up to July 2021:

- from January 2021: Traders importing standard goods, covering everything from clothes to electronics, will need to prepare for basic customs requirements, such as keeping records of imported goods, and will have up to six months to complete customs declarations. While tariffs will need to be paid on all imports, payments can be deferred until the customs declaration has been made. There will be checks on controlled goods like alcohol and tobacco. Businesses will need to consider how they account for VAT on imported goods. There will also be physical checks at the point of destination on all high risk live animals and a proportion of low-risk live animals.
- from April 2021: All products of animal origin - for example meat, pet food, honey, milk or egg products - and all regulated plants and plant products will require pre-notification and the relevant health documentation.
- from July 2021: Traders moving all goods will have to make declarations at the point of importation and pay relevant tariffs. Full Safety and Security declarations will be required, while for Sanitary and Phytosanitary (SPS) commodities there will be an increase in physical checks and the taking of samples: checks for animals, plants and their products will now take place at GB Border Control Posts.

To support businesses with these new processes, the UK Government has developed a new £50m package to boost the capacity of customs intermediaries, including customs brokers, freight forwarders and express parcel operators. This will support intermediaries with recruitment, training and supplying IT equipment to help handle customs declarations. Rules will also be changed to remove barriers for intermediaries taking on new clients. Applications for this funding opened from July. Additionally, the UK Government has committed to building new border facilities in Great Britain for carrying out required checks, such as customs compliance, transit, and Sanitary and Phytosanitary checks, as well as providing targeted support to ports to build new infrastructure. The UK Government is consulting with ports across the UK to agree what infrastructure is required.

If the transition period comes to an end with no deal in place, trade between the UK and EU will automatically fall back on World Trade Organization (WTO) rules. Every WTO member has a list of tariffs (taxes on imports of goods) and quotas (limits on the number of goods) that they apply to other countries with which they don't have a trade deal. The average EU tariff is quite low (about 2.8% for non-agricultural products) but in some sectors can be quite high. For example, under WTO rules, cars would be taxed at 10% when they crossed the UK-EU border after the transition period, and agricultural tariffs would be even higher, rising to an average of more than 35% for dairy products.

The UK Government has announced details of the tariffs it will charge from January 2021 to countries with which it does not have a free trade deal (which could, of course, include the EU if no deal is agreed). In some areas tariffs are being maintained to protect UK producers, for example on most vehicles and agricultural products. But the Government is removing all tariffs below 2.5%, which it refers to as "nuisance tariffs", and also cutting back on the number of different tariffs applied. Some tariffs the UK has been charging as part of the EU will disappear, especially where there isn't much domestic UK production that needs to be protected. 47% of all products will have zero tariffs, compared with 27% when in the EU. Items having their tariffs cut to zero range from baking powders to vacuum flasks and from bicycle tubes to yeast.

At first glance it looks like trade overall will be freer. But the EU is the UK's biggest single trading partner. 46% of all UK exports in 2018 went to the rest of the EU as part of the single market and customs union, and at the moment there are no tariffs at all on UK-EU trade. Without a deal before the end of this year, that will change. Also, the UK could not lower tariffs just for the EU (or any specific country) without doing so for the rest of the world, unless it had agreed a trade deal, or as part of a transition to that deal. The British Retail Consortium warned last month that a No Deal outcome would lead to the cost of household goods increasing significantly. The BRC calculated that beef, which is imported in huge quantities from Ireland, would go up in price by 48%, and cheddar cheese, also imported from Ireland, could cost 57% more. Some other examples of possible cost increases to food and non-food items, as a result of a 'no deal', are shown in the graphic below.

BRC
EU-UK TRADE - NO DEAL TARIFFS ON EVERYDAY GOODS



Divergence from EU tariffs creates additional pressure on the so-called 'border in the Irish Sea' and the customs operations that will need to occur between Great Britain and Northern Ireland.

4.3 Regulatory Matters

As well as tariffs, there are "non-tariff barriers" including product standards, safety regulations and sanitary checks on food and animals. These are more complicated, and more important, than tariffs themselves. The UK and the EU need to find ways to work with each other's regulations and without a trade deal that will take time to happen. Non-tariff barriers would have an even greater impact on the service sector, which makes up about 80% of the UK economy.

Supporters of Brexit have referred to the WTO's Trade Facilitation Agreement (TFA), which came into force in 2017, arguing that it obliges the EU to treat the UK fairly. But the TFA is aimed primarily at less developed countries and seeks to encourage transparency and streamline bureaucratic procedures. It does mean that the EU cannot discriminate against the UK, but it does not mean the UK can expect to be treated in the same way that it is now. The UK would be treated like any other third country - and in the absence of any agreement, that means tariffs, border checks and other barriers to trade.

In mid July, the European Commission published guidance on the changes that will take place once the transition period ends in December. The document stated that many of these changes will take place whether there is an agreement on a future partnership between the EU and the UK or not. The guidance covers trade in goods; trade in services; energy; travelling and tourism; mobility and social security; company and civil law; data, digital and intellectual property rights; and international agreements. It advises public administrations, businesses and citizens to prepare for the main areas of inevitable change and “unavoidable disruptions”. For example, customs formalities will apply to all goods entering the EU, even if there is a free trade area providing for zero tariffs and zero quotas on goods, with customs and regulatory cooperation. Economic Operators Registration and Identification (EORI) numbers issued by the UK will no longer be valid in the EU and businesses based in the UK wishing to import to the EU will need to obtain an EU EORI number.

4.4 **UK Shared Prosperity Fund**

As previously reported, the UK Government has said that EU Structural Funds will be replaced by a new UK Shared Prosperity Fund. However, consultation on the design of this Fund has been long delayed. It was announced in June that final decisions on the design of the UK Shared Prosperity Fund will only be taken after a cross-Government Spending Review. Also, in June, the Chief Secretary to the Treasury said that the total amount allocated to Scotland via the Fund will equal that of EU Structural Funds. The Scottish Government carried out a consultation on the Fund, the outcome of which will inform their response when the UK Government announces its plans.

4.5 **Immigration**

On 13 July, the Home Secretary announced details of the points-based immigration system which will come into force on 1 January 2021 when freedom of movement from the EU ends. She said the new system would encourage employers to invest in workers from within the UK but also allow them to “attract the best and brightest from around the world”.

Under the new rules, those wishing to live and work in the UK must gain a certain number of points, which will be awarded for meeting criteria such as having a job offer, holding a PhD relevant to the job, speaking English or earning more than £22,000 a year. Those with job offers in “shortage occupations” such as nursing and civil engineering will be able to earn extra points.

There will be a new fast track health and care visa open to workers who have a confirmed job offer in one of a series of defined “skilled” roles within the NHS or care sector or for NHS service providers, such as doctors, nurses, radiographers, social workers and paramedics. However, social care workers will not be able to take advantage of this visa, while trade unions say the salary thresholds mean many cleaners, porters and support staff will also not qualify.

The visa process for students is being refined, with a new graduate route being launched next summer to “help retain the brightest and the best students to contribute to the UK post-study”. International students will be able to stay for a minimum of two years after finishing their studies.

The Council previously expressed concerns, during consultation by the Migration Advisory Committee (MAC) on proposals for new immigration rules, about the impact on the local economy, particularly in key sectors such as digital, hospitality and care.

Dropping the salary threshold from the previously suggested level of £30,000 is welcome and partly addresses some of the concerns in the Council’s response to the MAC. However, whilst the minimum threshold has come down for some jobs in health and education, our understanding is that to obtain a visa most applicants would still need earn at least £25,600 which is still quite a high bar in terms of Dundee salaries.

It is also a concern that the proposed fast track system for health workers would not apply to most care workers. This may put added pressure on a sector which is already dealing with the impact brought about by Covid-19.

The expected increase in unemployment that the pandemic is likely to bring may mean that indigenous workers are available to fill some gaps. However, some roles have been difficult to fill historically and some higher skilled jobs require significant training and there are likely to be skill shortages in the immediate term.

4.6 **Where powers sit after Brexit**

An issue which has emerged during discussions on future arrangements is where powers sit to regulate state aid to businesses. The UK Government says this is a reserved matter, while the Scottish and Welsh Governments want this to be devolved. The UK Government is expected to bring forward legislation on state aid in the autumn.

In addition, the UK Government has published a White Paper setting out plans for how a UK-wide "internal market" will operate after Brexit, with legislation to follow later in the year. UK ministers say it is vital for "all UK companies to trade unhindered in every part of the UK", and that the devolved administrations will have to accept goods and services from other parts of the UK - even if they have set different standards locally - to ensure a level playing field in the "internal market". They say there could be "serious problems" if, for example, Welsh lamb producers were unable to sell their products in Scotland, or Scottish whisky producers were unable to buy barley from English farms because different rules were in place on either side of the border. Scottish Ministers believe this means that standards on things like food quality and animal welfare across the country could be lowered if the UK Government reduces standards in order to make new trade deals (e.g. with the USA) and that the proposals represent a 'power grab' from devolved administrations. They believe that the UK Government's plans for a UK internal market will weaken the ability of the Scottish Parliament to make distinctive laws and protect Scottish interests and could see different standards being imposed on Scotland in devolved areas.

5. **COUNCIL PREPARATIONS**

5.1 **Horizon Scanning/Engagement with Governments, COSLA etc**

Although largely focused on supporting the Council's response to the Covid-19 pandemic, officers involved in the Brexit Advisory Team have continued to keep in touch with Brexit developments and participate actively in teleconferences organised by the UK and Scottish Governments, COSLA etc with the aim of ensuring that any risks and/or opportunities flagging nationally or from other local authorities are assessed here.

Officers within the Council also continue to participate actively within their professional networks and liaise with other Councils/COSLA/ESEC/Scottish Cities Alliance etc on a regular basis. Arrangements are currently being made by COSLA for a webinar with a panel of speakers on key topics such as the revised planning assumptions for the impact of a 'no deal' or 'limited deal' Brexit and the resilience arrangements which will need to be put in place.

The Scottish Government hosts a fortnightly Public Sector Food Forum which brings together Scottish Government policy leads, public sector procurement managers and others involved in mass catering in hospitals, schools, prisons and residential care homes. The Forum shares intelligence, concerns and actions on the security of food supply in the public sector, and includes representation from COSLA and local authorities. Officers will liaise with those involved in the Forum to keep up-to-date with any emerging issues.

5.2 **Citizens' Rights**

Information on the number of applications to the settled status scheme (EUSS) continues to be monitored. The Home Office's latest quarterly statistics on applications up to 30 June 2020 are due to be published in late August. The most recent available statistics, to 31 March, showed that 2,920 Dundee residents had been awarded full settled status and 2,130 pre-settled status. There is no mechanism to know exactly how many people in each area are eligible to apply, but based on the estimates available Dundee appears to have a relatively high % of applications submitted from the estimated number of EU nationals in our area, compared to other Scottish local authorities.

A communications campaign has continued to ensure that EU citizens are aware of the need to apply for settled status and the assistance available. We have continued to update the dedicated page on the Council's website which outlines the settled status scheme and signposts people to UK/Scottish Government information. We have made use of both Governments' campaigns and toolkits, and we have also promoted the advice and information available through the Citizens Rights Project. Social media channels such as Twitter, Facebook and LinkedIn have also been used, with regular posts providing key information. We recently added factsheets commissioned by the Scottish Government which explain the rights of EU citizens in Scotland to vote, work and access healthcare, education, housing and benefits, and are available in English, Polish, Romanian, Lithuanian, Spanish and Italian. We also helped to promote a presentation and Q&A session in BSL which was organised by the Citizens Rights Project in association with the Royal Association for the Deaf.

The Covid-19 pandemic has inevitably complicated matters, both for EU citizens and the services seeking to reach them. For individuals, concerns relating to health and jobs may have deprioritised obtaining an immigration status that is still a year away from being necessary (Home Office statistics show a decline in applications in the first months of the lockdown). In Scotland, many EU migrants work in sectors particularly affected by the lockdown, such as tourism and hospitality, and may be looking for alternative work or be less certain of their future plans, and therefore less clear on the need to obtain EUSS. Some EU migrants may have moved into sectors where they are even harder to identify and reach, such as the gig economy. For those seeking to reach unregistered EU citizens, outreach is clearly harder in a time of social distancing.

A priority remains to ensure that vulnerable people are assisted to apply, and work on this will intensify as more face-to-face support becomes possible again e.g. when the Assisted Digital Service can again be offered at Wellgate Library and the Citizens Advice Bureau can again offer its services in the library. We will aim to engage with citizens through front line services, including Welfare Rights and Housing, and also via the various statutory and voluntary networks that we are connected to in the city. There are particular concerns about people with physical or mental health issues, those who may have more transient lifestyles and those who have poor English or are less likely to access sources of information and advice. It is proposed to send further targeted information to managers and staff of settings where vulnerable people may be (e.g. care homes, long stay hospitals, prisons, housing associations, sheltered housing services) to ask them to check that people they care for have applied where necessary and to access help for those who will need support. 42 staff attended training sessions by IOM and COSLA prior to lockdown and an e-learning module is being investigated to ensure staff are fully briefed, given the difficulty in arranging further face-to-face sessions at present.

The Council has a responsibility to apply for settled status on behalf of any looked after children who are EU citizens. Children and Families have identified that we currently have two children in our care who are citizens of a country to which the EUSS process applies, and those children are being supported in the EUSS process with expert advice from an International Organisation for Migration Caseworker. Awareness has been raised among social work managers to ensure that any further EU children who come into our care in future will also be supported through the EUSS process if appropriate.

While continuing to encourage applications to the scheme, early thoughts are now being given by COSLA and others to the policies and protocols which will need to be put in place to enable local authorities to deal with vulnerable people who present to them after the scheme's closure without having applied for settled status. Officers will continue to keep informed of developments in this area.

5.3 **Local Economy/Businesses**

The Scottish Government published a new analysis in June 2020 predicting that Scottish GDP could be up to 1.1% lower after two years due to a cumulative loss of economic activity from leaving the EU. This would be up to £3 billion over those two years if there is no deal, or nearly £2 billion with a basic trade deal - on top of the devastating effects of the Coronavirus outbreak. Just prior to lockdown, the Scottish Government's State of the Economy Report was highlighting that the uncertainty caused by Brexit was impacting on business growth and investment. The outlook was forecast to be highly dependent on the shape of any trade deal and the ability of

businesses to adjust, but the situation has been compounded by Covid-19 with many businesses weakened and less resilient to deal with the second shock which a 'no deal' Brexit may bring.

In July, Warwick University published an analysis suggesting that the Scottish economy has lost more than £3.94 billion as a result of leaving the EU, with Dundee's economy an estimated £100 million worse off than it would have been had the UK chosen to remain.

We have encouraged businesses to prepare for Brexit (e.g. by using the Scottish Enterprise self-assessment toolkit and by applying for Scottish Government grants) but, prior to lockdown, there was already a concern about low take-up of these and the general level of preparedness, especially among small and medium enterprises. When the Brexit Support Grant scheme closed at the end of March, there had been 381 approved applications, 9 of these from Dundee, with a total value of £615,000. Across Scotland, there have been 7,450 completions of the self-assessment tool. The economic damage being caused by Covid-19 seems certain to leave businesses even less prepared for the changes which will come at the end of the transition period, when existing rules on trade with the EU no longer apply.

We have recently been helping to promote Dundee and Angus Chamber of Commerce's online Customs Declarations Training course to help local businesses prepare for the changes which will come into effect from 1 January 2021. The Chamber has also recruited additional staff resources to support export documentation and assist in wider preparedness work, and we will continue to discuss with the Chamber any additional assistance we can provide.

The impact of Covid-19 on our Universities and College will also be exacerbated by Brexit.

Support for the local economy will be a key consideration of the city's Covid-19 Recovery Plan and any Brexit related impacts will be factored into the associated workstreams.

5.4 **Workforce**

We have continued to communicate with our workforce about EU settled status. This has been done through our One Dundee staff intranet, allstaff emails and the Chief Executive's monthly blog, and the communications also encourage employees to share information with friends and relatives.

Employees have been encouraged to update their nationality details on MyView to allow direct communication with them.

The likely impact on service delivery if the number of EU citizens in our workforce was to reduce has been assessed as low, and as manageable through workforce planning. We are not anticipating any major implications for the Council workforce based on current establishment and recruitment patterns.

In all communications with employees, the objective is to engage with employees affected to assure them that we want them and their families to stay, and to signpost them to information and support.

The new immigration rules outlined in section 4 above will have implications for recruitment. Human Resources are considering the details of the new points-based system and our sponsorship implications. Dundee Health and Social Care Partnership commission a significant amount of social care from partners. The last time recruitment was discussed it was not considered to be a major issue but the Partnership will continue to liaise with partner providers to confirm this remains the position following these changes and to identify any issues which emerge.

5.5 **Procurement**

The Procurement Team has been advised of new arrangements for inviting tenders and is prepared. All services have been asked to identify any concerns/issues they have, or any intelligence they receive from professional networks regarding:

- any particular sectors of the workforce, or the workforce of any private or third sector organisations they deal with, which may be affected by Brexit.
- any issues about supply chains and the cost and availability of any products or services we use as a result of the introduction of tariffs. This will need to be reviewed in the light of progress made on trade negotiations.
- The Council have no direct European suppliers, and all existing contract pricing is fixed for the periods of contract (generally 3 years with option of extension) with the exception of inflationary clauses. There are no Brexit clauses within any Council contracts, thus any risk of detrimental impact of tariffs would be on the part of the supplier, not the Council.
- Tayside Contracts had undertaken an exercise (before -Covid-19) to ascertain the potential impacts of Brexit disruption to supply routes. They intend to revisit this exercise for the changed menu as a result of the current Covid-19 menu requirements.
- Tayside Contracts have also confirmed that their contracts with suppliers are 3 years in duration and are fixed for the period of contract, therefore, any risk of detrimental impact of tariffs would be on the part of the supplier, and would result in them having to resource alternative supply channels.

5.6 Regulatory Matters

Officers are continuing to monitor any discussions about regulations, potential changes to regulations, or opportunities to streamline or improve the regulatory environment after Brexit.

5.7 Funding

Dundee benefits from a significant amount of EU funding, and a detailed analysis of the projects and staffing supported by this funding has been carried out and continues to be kept under review.

The following provides detail of the funding cessation dates, as well as any funding expected post 2020:

Project Title	Category	Funding End Date	Funding %	Post 2020 Funding
Employability Pipeline	Revenue	Dec-22	40%	1,280,324
Big Lottery (DMA)	Revenue	Aug-20	100%	
Smart Cities - Data Cluster/Open Data	Revenue	Jun-22	40%	
Interreg - EUR CultCreaTE	Revenue	Dec-22	85%	88,000
Low Carbon Transport Initiative	Capital	Mar-21	100%	500,000
Total				1,868,324

A priority for the Council has been to seek to influence the size and shape of the proposed UK Shared Prosperity Fund which is due to replace EU structural funds once the Treasury Guarantee for existing projects ends. Consultation on this proposed Fund had already been considerably delayed and nothing further has happened since the pandemic started.

Depending on how this plays out, further consideration may need to be given to the future of projects currently funded or part funded by the EU, and how these fit in with the priorities to be set out within the city's Covid-19 Recovery Plan. An in-depth assessment of the staffing cost implications will be undertaken as part of this exercise.

The UK Government has stated it will not participate in Interreg from 2021, and will only seek to participate in 'some elements' of Erasmus+. The City Council adopted a motion in 2018 which supported continued participation in Interreg, and a cross-party letter was sent to the UK Government in support of Erasmus. For Interreg, local organisations (mainly the Council, College and Universities) have been awarded approximately £1,800,000 during the 2014-2020 programme, while for Erasmus the figure is approximately £3,380,000.

5.8 Other Financial Impacts

Officers have modelled the impact of a number of scenarios relating to Brexit on prices, interest rates etc. No specific contingencies have been made in budgets, and although general reserves had been increased slightly these will be impacted by Covid-19. Cash flow monitoring will pick up any emerging issues and risk factors to be taken into account in medium/long-term financial planning. Assessment of current capital plan implications has also been undertaken, including a review of scenarios of interest rate changes on plans and borrowing.

There will be an adverse impact on Council finances from the Covid-19 pandemic and the predicted recession which will follow. The impact of Brexit will be another element to factor into a broader review of the Council's finances, against a backdrop of existing pressures on local authority budgets and on public expenditure in general.

We are continuing to monitor the time spent by officers on Brexit preparations and feed information on this to COSLA with a view to making cases for funding.

5.9 Resilience

There is still a potential for the UK to leave the transition period on 31 December 2020 with either 'no deal' or a 'bare bones' free trade agreement akin to a no deal scenario, if the UK and EU cannot agree a new trade deal over the next few months. As before, this would give rise to a number of concerns about delays at ports and the supply of food, fuel and medicines.

The Council is linked into national, regional and local resilience planning arrangements and these will be re-activated to deal with any such issues. Local Resilience Partnerships are already being contacted about the multi-agency arrangements which will be put in place at a national level in preparation for a possible no deal exit. Early notification of "soft" stand up of resilience planning was announced in mid-July. The former infrastructure around information sharing through resilience structures almost certainly will be stood up again as we move into late Autumn. Police Scotland intend to establish a National Co-ordination Centre which will be stood up during December, and will include a Multi-agency Co-ordination Centre to support the national Strategic Co-ordination Group and local Resilience Partnerships, ensuring there is well informed, effective decision making and shared situational awareness. To assist with this, Local Resilience Partnerships have been asked to review their membership of Resilience Direct to ensure an up-to-date user database is in place. The Council will update its register of Resilience Direct users and refresher training around navigation and future internal reporting requirements will follow along previous lines.

Although Brexit will add to the existing pressures on emergency planning and on the workload of the officers concerned, the Covid-19 response has strengthened networks and relationships (e.g. in relation to food insecurity, advice and community support) which will assist with any further resilience planning required.

5.10 Communications

We continue to review and update our Brexit webpages, linking into key UK and Scottish Government information and communications. Information is available for citizens and businesses and also on what we are doing as a Council to prepare. Social media channels are being used regularly to highlight events and key information. Frontline services, including across the Dundee Partnership, have been briefed and given information to support citizens.

Priorities for communications in the coming period will be to continue to encourage citizens to apply for settled status prior to the 30 June 2021 deadline and to encourage businesses to prepare for the arrangements which will come into force from January 2021.

6. OPPORTUNITIES

One of our priorities for the current and coming period (before this was overtaken by Covid-19) was to attempt to identify any opportunities which Brexit might present. This work will now be rolled into a wider analysis of the way the city can recover from the double hit of Covid-19 and Brexit through a long-term restructuring plan.

If there is to be a major programme of public investment to help rebuild the economy, it seems likely that this will include an emphasis on green and digital initiatives, which may resonate well with the Council's Climate Change Action Plan and Digital Transformation Strategy and the idea of 'building back better' rather than simply returning to the pre Covid-19 status quo.

Specific opportunities linked to Brexit may include:

- Promotion of Dundee and the wider surrounding area for 'staycations'.
- Lobbying for the location of any new civil service jobs relating to new trade and custom arrangements to be located in Dundee.
- Exploring the possibilities of Dundee becoming a 'Freeport' with special tariff and duty status.
- The opportunity to train long-term workless people, and those more recently affected by Covid-19 related redundancies, to fill skill shortages linked to the loss/reduction in migrant labour from the EU.
- Some businesses who trade primarily in the domestic economy may benefit from any restrictions on EU competitors bringing goods/services into the UK.

7. POLICY IMPLICATIONS

This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. There are no significant issues.

8. CONSULTATIONS

The Council Management Team was consulted in the preparation of this report.

9. BACKGROUND PAPERS

None.