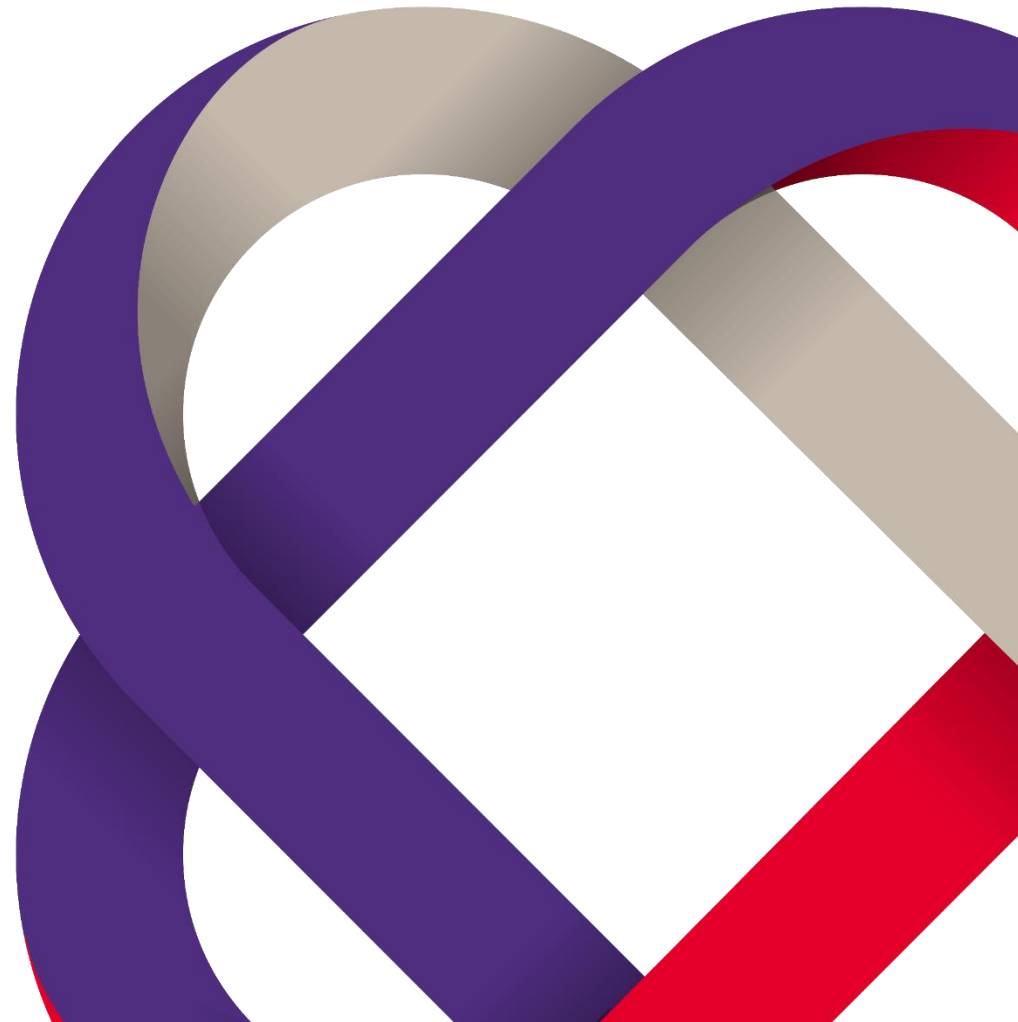


# Brexit

**Paul Dossett**  
Head of Local Government



# Background

# What is Brexit?

- **Leaving the EU**

A divorce settlement covering Northern Ireland, citizens rights and financial settlement

- **A transition period**

e.g. 2 years when we for all intents and purposes we have the same market access and obligations

- **A new relationship with the EU**

Crucially a trade relationship including customs and regulatory recognition; which may or may not cover services as well as goods

- **New trade relationships with third countries**

Free-trade-agreements with the rest of the world that up until now have been determined by our EU membership

- **Policies and programmes for social and economic development**

e.g. replacing Common Agricultural policy, EU structural and regional funds, European social fund and research and culture programmes, European Investment Fund etc.

# Where are we in the process?

## The EU and UK have now reached agreement on:

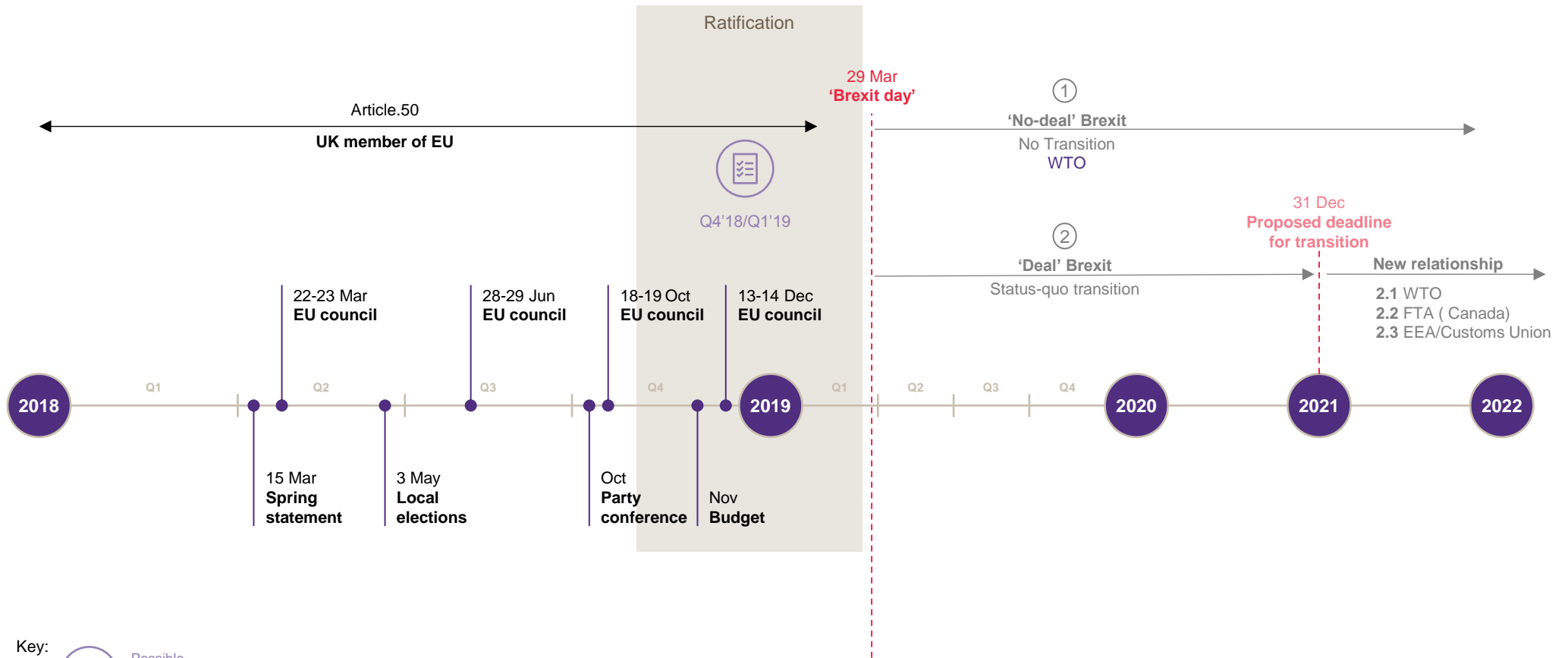
- Assurance for EU citizens working in the UK and their employers
- Further assurances that there will be no hard border in Ireland
- A formula for calculating how much the UK will have to pay has been agreed

## What comes next?

- Incorporate the progress made in December into a legal agreement
- Agree transition
- Finalise new relationship

# Looking ahead

# Brexit timeline



# What might Brexit look like?

Government's aim

10 EU policies or processes	No Brexit	Soft Brexit		Hybrid		Hard Brexit	
	Full EU membership	EFTA EEA	EFTA (Switzerland)	Continental partnership	Customs Union (Turkey)	FTA (Canada)	WTO rules
Single Market Participation?	Yes	Yes	Partial	Yes, but	No	No	No
Free movement of labour?	Yes	Yes	Yes	Limited	No	No	No
Part of Single Market rules?	Yes	Yes	Partial	Yes	No	No	No
Say in Single Market rulemaking?	Yes	No	No	Partial	No	No	No
Bound by ECJ decisions?	Yes	Yes	Partial	Yes	No	No	No
Duty-free access in goods?	Yes	Yes	Yes	Yes	Yes	Yes	No
Market access for services?	Yes	Yes	Partial	Yes	No	Partial	No
Part of EU commercial policy?	Yes	No	No	Yes, Possibly	Yes	No	No
Part of EU agricultural policy?	Yes	No	No	No	No	No	No
Contribution to EU budget?	Yes	Yes	Yes	Yes	No	No	No

Source: Bruegel

# Assessing the impact



# Sector impact assessment

Sector	Trade	Talent	Finance & Ops.	Meridian West survey % see Brexit as challenge
<b>Not for profit</b> (NB for social care and housing see healthcare & real estate)	universities	universities	universities	58%
	Other	Other	Other	
<b>Healthcare</b>				60%
<b>Real estate</b>				73%
<b>Automotive</b>				66%
<b>BSS</b>	Freight & logistics	Freight & logistics	Freight & logistics	65%
	Other	Other	Other	
<b>Consumer markets</b>				71%
<b>Energy, Nat. resources</b>				59%
<b>Financial services</b>				73%
<b>Public sector</b>				63%
<b>Tech, Media, Telecoms</b>				53%

<b>Key</b>	Low impact	Medium impact	High impact
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# Planning for Brexit

# Planning for Brexit



# Talent

## Shaping your future workforce












# Finance and operations

## Adapting processes and systems



# Assessing impact

## RAG rate to map hotspots

	Risks			Opportunities	
 <b>Customers and markets</b>	C1. UK market downturn	C.2 Client readiness		O.1 International Markets	
 <b>Suppliers &amp; supply chain</b>	M.1 Supplier readiness				
 <b>Location</b>	M.2 Northern Ireland	M.3 Gibraltar		O.2 Subsidiaries	
 <b>Legal, data &amp; regulation</b>	C.3 Regulatory risk	C.4 Contract risk			
 <b>Funding and ownership</b>	M.4 FX management	M.5 Refinancing		O.3 Falling £	
 <b>Tax and customs</b>	M.6 Indirect Taxes			O.4 Corporate Taxes	
 <b>Core operations</b>	M.7 Logistics				
 <b>People</b>	C.5 Recruitment	M.8 Retention	M.9 Mobility	O.5 Outsource/ digitise sooner	
 <b>Future Growth</b>	C.6 Export plans	M.10 Impact on divestment plans		O.6 New Sectors	O.7 New products

**Key**  
● Critical risks  
● Material risks  
● Opportunity

# What else should Councils consider?

**Councils should establish a clear governance process in respect of Brexit including:**

- Inclusion of local Brexit risks on your risk register
- Regular review of progress in risk mitigation
- Ensure that Government advice on regional GDP risk is factored into business rate planning
- Clarifying with Government how EU structural funds will be replaced for you and how do you access those funds
- Ensure a deep understanding of the local business risks- it could have a major impact on the local economy and employment