

# Notice of Meeting and Agenda



## PRS Sub Committee

**Venue:** Virtual Meeting,

**Date:** Monday, 24 January 2022

**Time:** 14:30

**Executive Director : Place**

**Contact:**

Clerk Name: Democratic Services  
Clerk Telephone:  
Clerk Email: [democratic.services@midlothian.gov.uk](mailto:democratic.services@midlothian.gov.uk)

**Further Information:**

This is a meeting which is open to members of the public.

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**1 Welcome, Introductions and Apologies**

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**2 Order of Business**

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**3 Declaration of Interest**

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**4 Minute of Previous Meeting**

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Minute EU PRS Sub Committee 6 December 2021 for approval 3 - 6

**5 Public Reports**

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**5.1** PRS SC Contingency Planning Concurrent Supply Issues - Chief Officer Place 7 - 10

**5.2** Request to provide a report in relation to EU nationals employed by Midlothian - Response by HR Manager 11 - 12

**6 Private Reports**

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None

**7 Date of Next Meeting**

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# MINUTE



## EU - Performance, Review and Scrutiny Sub Committee

Date	Time	Venue
6 December 2021	2.30 pm	Held via Microsoft Teams

Attendance		
Councillor Catherine Johnstone		Councillor Margot Russell
Councillor Stuart Mckenzie		Councillor Joe Wallace
Alan Turpie – Legal Manager		Ross Neill – Democratic Services Team Leader

### 1 Welcome & Apologies

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Cllr Wallace was unable to connect to MS Teams due to server connection issues  
Apologies from Keven Anderson Executive Director Place

### 2 Order of Business

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Order of Business detailed within the Agenda

### 3 Declarations of interest

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None

### 4 Minutes of Previous Meetings

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None

### 5. Reports

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Agenda No.	Report Title	Presented by:
5.1	Appoint Chair & Vice Chair	Democratic Services
<b>Outline of report and summary of discussion</b>		
<p>Members are invited to confirm a Chair and Vice Chair of the committee</p> <ul style="list-style-type: none"> <li>• Vote to appoint Chair</li> <li>• Vote to Appoint Vice Chair</li> </ul> <p>Initially AT Chaired the meeting welcoming all, he confirmed the minimum quorum of the group is 3, then inviting Cllr Johnstone to take the committees Chair unless anyone else wished to be considered, quoting standing orders.</p> <p>Councillor Johnstone was appointed Chair with no objection</p> <p>Mr Turpie – Cllr Johnstone nominated Cllr McKenzie as Vice chair, Cllr Margot Russell seconded</p> <p>Mr Turpie – Congratulated both newly appointed Chair and Vice Chair and handed over the Chairs responsibility to Cllr Johnstone</p>		
<b>Decision</b>		
<p>Chair – Councillor Catherine Johnstone</p> <p>Vice Chair – Councillor Stuart McKenzie</p>		
<b>Action</b>		
All to note		

Agenda No.	Report Title	Presented by:
5.2	EU PRS Sub Committee	
<b>Outline of report and summary of discussion</b>		
<p><b>Remit –</b></p> <p>Members are invited to review actions taken to mitigate the effects of EU exit in relation to the delivery of the Council's policy objectives with particular reference to:</p> <ul style="list-style-type: none"> <li>(a) The risks and concerns to local authorities;</li> <li>(b) The regulatory impacts of Brexit; and</li> <li>(c) The impact of Brexit on the number of EU migrants.</li> </ul> <p>Recommendation to Agree above –</p> <p>After discussion highlighting key areas that may be affecting Midlothian Council, two reports were outlined and requested for the next meeting –</p> <ol style="list-style-type: none"> <li>1. What support is Midlothian Council offering EU nationals currently employed by the council to staff, in particular any who have been denied permission to stay in the UK?</li> <li>2. What is the current contingency for Business interruption due to supply issues relating to Brexit and any combination of issues including Covid?</li> </ol>		
<b>Decision</b>		
All agreed the remit		
<b>Action</b>		

1. Dawn Farquhar - (HR Manager) to provide a report in relation to how many EU nationals currently employed by the Council have been denied residency and what is the council doing to support them?
2. Derek Oliver – (Chief Officer Place) – To provide a report covering what is the current contingency for Business interruption due to supply issues relating to Brexit and any other combination of issues including Covid?

Agenda No.	Report Title	Presented by:
5.3	Proposed Meeting Dates	Democratic Services
<b>Outline of report and summary of discussion</b>		
Monday 24 January 2022 at 2.30pm Monday 14 March 2022 at 2.30 pm		
<b>Decision</b>		
Agreed Unanimously		

## 6. Private Reports

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None

## 7. Date of Next Meeting

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Meeting Concluded at 1505  
Monday 24<sup>th</sup> January 2022 at 2.30pm



**Contingency Planning: Concurrent Supply Issues****Report by Derek Oliver, Chief Officer - Place****Report for Information****1 Recommendations**

The PRS EU Exit Sub Committee is recommended to:

- note the attached Report
- note that the EU Exit Working Group will reconvene as and when new and relevant post EU Exit issues emerge. The matter is currently part of the Risk Management & Resilience Group agenda.

**2 Purpose of Report/Executive Summary**

The purpose of this report is to provide the PRS EU Exit Sub Committee with a report into the Council's current contingency for business interruption due to supply issues relating to Brexit and any other combination of issues including Covid.

**Date** 14 January 2022**Report Contact:**

Derek Oliver, Chief Officer – Place  
[derek.oliver@midlothian.gov.uk](mailto:derek.oliver@midlothian.gov.uk)

### 3 Background

- 3.1 The EU Exit Working Group produced a register of potential impacts on the Council on the basis of a “Hard Brexit”, ie no withdrawal agreement. This ensured that the risk of significant impacts on the operations of Council services were minimised by evaluating, assessing and implementing practical controls of potential issues.
- 3.2 However, on 24 December 2020, the European Union and the United Kingdom reached an agreement in principle on the EU-UK Trade and Cooperation Agreement (TCA). On 30 December 2020 this was signed off by the President of the EU Commission on behalf of EU and voted for by the UK Parliament. The impacts of this deal continue to be discussed and some areas remain to be confirmed. The wider implications may take some time to determine and are proving difficult to distinguish from the ongoing Covid-19 impacts.
- 3.3 The EU-UK Trade and Cooperation Agreement concluded between the EU and the UK sets out preferential arrangements in areas such as trade in goods and in services, digital trade, intellectual property, public procurement, aviation and road transport, energy, fisheries, social security coordination, law enforcement and judicial cooperation in criminal matters, thematic cooperation and participation in Union programmes. It is underpinned by provisions ensuring a level playing field and respect for fundamental rights.
- 3.4 While it will by no means match the level of economic integration that existed while the UK was an EU Member State, the Trade and Cooperation Agreement goes beyond traditional free trade agreements and provides a solid basis for preserving our longstanding friendship and cooperation. The Trade and Cooperation Agreement was signed on 30 December 2020, was applied provisionally as of 1 January 2021 and entered into force on 1 May 2021.
- 3.5 In terms of the functions and responsibilities of Midlothian Council, it is reasonable to make a number of assumptions based on emerging issues.
- 3.6 **Resource:** There has been an increased burden placed upon Environmental Health within the Council in relation to import and export regulations. This relates specifically to the increased requirement for Environmental Health Certificates however there are other aspects of regulatory control that require resource. The creation of Protective Services from a service review and suitable capacity built into the service review has mitigated against the risk of resource within Environmental Health in Midlothian Council.
- 3.7 **Legal:** One area of change is Procurement as the use of Open Journal European Union (OJEU) has ceased for new contracts. Data is

continuing to flow freely to the UK and Europe following agreement by the EU to adopt “data adequacy”.

- 3.8 **Supply Chain:** Impacts are being realised albeit currently controlled through Scotland Excel procurement network, together with contingency budgets factored into construction projects and vehicle/material replacement programmes. There is likely to be further impacts on construction and vehicle replacement progress should costs of construction materials, vehicles (and constituent parts) and supplies continue to rise. This is not solely related to EU Exit.
- 3.9 **Community:** (Equality, Poverty, Rural). There were anticipated wider community implications in terms of a potential population decrease brought about by the end of freedom of movement and the introduction of new immigration rules. This in turn could have an impact on our workforce and the provision of services. As it happens, this has been negligible. The potential for customs delays and supply chain disruption was anticipated to lead to a rise in inflation and the subsequent knock on effects in the costs of living and foodstuffs. Inflated costs are not solely related to EU Exit.
- 3.10 **Climate Change:** As set out in the TCA, the EU and UK have reaffirmed their ambitions of achieving economy-wide climate neutrality by 2050. They have also agreed not to weaken or reduce, in a manner affecting trade or investment between the Parties, their environmental levels of protection or their climate level of protection below the levels that are in place at the end of the transition period. Both parties shall continue to strive to increase their respective environmental levels of protection or their respective climate level of protection. Whilst this may appear to be a full commitment to non-regression in all climate and environmental standards it does seem to pivot on trade and investment concerns which could potentially be a loophole if one party wants to reduce targets that do not reflect a trade or investment position. Regardless, Midlothian Council is aspiring to be, and working towards, net zero by 2030.
- 3.11 **Risk:** Each Service within Midlothian Council has identified specific service risks and mitigations that will inform their business continuity plans. This is an ongoing process to review the implications of the TCA as new information becomes known. This in turn informs the strategic risk register. The move from convening the EU Exit Working Group to the Risk Management & Resilience Group is a response to the current civil contingencies risk landscape. The concurrent risk landscape is unparalleled as there has been, and remains to be, a high risk of having to respond simultaneously to multiple incidents, including public health restrictions and/or further waves of Covid, or an associated variant strain; periods of severe weather with associated disruption to the Council, critical infrastructure in the county; and an incident involving direct care for people, such as fire, flooding or other cause leading to displaced people. This in addition to the emerging impacts of the UK's

withdrawal from the EU.

- 3.12 As the Officers of Midlothian Council control risk and monitor new and emerging issues, there are concurrent aspects at play. The attached King's College of London report illustrates the mixed factors from these different sources. Whether Covid and/or EU Exit impacts, the report explores the extent to which current problems in the UK economy are solely down to post pandemic disruption or are the result of the altered terms of trade and labour mobility with the EU.



Covid or Brexit.pdf

## 4 Summary of Ongoing Actions

- 4.1 Businesses are being updated and assisted by Business Gateway, Economic Development, Chambers of Commerce and Federation of Small Businesses. HMRC and Industry bodies continue to advise businesses to be aware of their new obligations. The UK Government, Scottish Government and Midlothian Council all maintained up to date information on websites and signposted accordingly.
- 4.2 Midlothian Council, as part of wider resilience partnerships, continues to work on preparedness/response to emerging issues whilst taking concurrent issues on board to ensure business continuity and organisational readiness is maintained at all times.

**Request to provide a report in relation to how many EU nationals currently employed by the Council have been denied residency and what is the council doing to support them - Dawn Farquhar - (HR Manager)**

Response – Dawn Farquhar HR Manager

As a Council we are not retrospectively checking the Settlement Status of staff who were employed by Midlothian Council before 30 June 2021 – the date by which people had to register with the Settlement Scheme – (and importantly there is no legal requirement for us to do so) – I can only advise that to the best of my knowledge there are currently zero EU nationals employed by Midlothian Council who have been denied residency. We would only be able to establish this if we undertook a retrospective check of **ALL** our workforce (we are not legally permitted to target groups of staff to establish Settlement Status).

Please let me know if I can be of any further assistance

Kind regards

Dawn

