

Brexit Scrutiny Challenge Session - Action Plan

Recommendation 1:

The Council should carry out a more detailed migration analysis of the potential impact of Brexit on our local population and develop an updated profile of the European Migrant community in Tower Hamlets.

Comments from SPP Service:

The Corporate Strategy, Policy and Performance Service already publish in-depth analysis of the socio-economic characteristics of the borough's population including analysis of the migrant population. The published briefings will be updated and shared with the Brexit Commission and form part the Commissions evidence base. The Council has secured additional resources from the Controlling Migration Fund to deliver a "Welcome to Tower Hamlets programme" over 2 years. Research and analysis will also be undertaken of participants in this programme.

Actions	Responsible Officer	Deadline
Update the already published profile of migrant population to capture more in-depth analysis of the European migrant communities in Tower Hamlets.	Sharon Godman (Divisional Director for Strategy, Policy and Performance)	October 2018
In-depth analysis of migrant communities participating in the "Welcome Tower Hamlets" programme.	Sharon Godman (Divisional Director for Strategy, Policy and Performance)	July 2019

Recommendation 2:

The Council should carry out a more detailed equalities analysis of the potential impact of Brexit on community cohesion in Tower Hamlets and publicise the 'No Place for Hate' campaign to reassure and address wellbeing and insecurity issues of EU Nationals.

Comments from SPP Service:

The Brexit Commission will consider potential and specific impact of Brexit on all the protected equalities groups and how the borough can work together to mitigate against any adverse impacts. These include protecting and promoting:

- Women's rights: including, maternity and parental leave;
- Disability rights: including improved employment opportunities and protections at work;

- Tackling workplace discrimination: including protection on grounds of religion or belief, sexual orientation and age.

The Brexit Commission will look to explore ways to promote diversity and community cohesion as well as consider appropriate and specific support that could be offered to EU migrants so that all our residents feel reassured and can live, work and study in the borough free from discrimination.

The Brexit Commission will also try to collectively lobby central government to ensure equality and key worker rights continue to be treated as priorities and setting a progressive agenda for post-Brexit Britain.

Actions	Responsible Officer	Deadline
Publicise No Place for Hate Campaign at Brexit Roadshow events	Menara Ahmed (Domestic Violence & Hate Crime Officer)	October 2018

Recommendation 3:

The Council should identify the specialist skills and the number of EU nationals within its workforce and those employed by our key suppliers and ensure retention strategies and positive wellbeing provisions are in place.

Comments from HR Service:

There has been no progress on collecting direct information from staff that may be affected by Brexit, we do not hold this information currently and we will need to develop a voluntary mechanism for staff to flag any concerns and gain support if they think they might be affected. This will need to be sensitively managed so that people do not feel at risk by giving the information to the council.

The Council has recently launched the new Occupational Health service with refreshed publicity regarding the wellbeing provision of staff.

Comments from Procurement Service:

As part of our broader supply chain management activities, procurement service could look into completing an exercise with its core suppliers to assess any impact of Brexit amongst contractor's workforce but will not be able to obtain information on nationality of contractor's workforce.

Actions	Responsible Officer	Deadline
Consider a method to request the relevant information with regards to nationality	Dena Smart	October 2018

from staff.	(Head of HR and Workforce Development)	* Awaiting further updates
Analysis of any data gathered to determine whether staff likely to be affected by Brexit are in particular areas or have particular skills	Dena Smart (Head of HR and Workforce Development)	November 2018 * Awaiting further updates
Develop a plan to address findings from the data	Dena Smart (Head of HR and Workforce Development)	December 2018 * Awaiting further updates
Undertake a supply chain analysis to assess potential impact of Brexit on Councils contracts.	Zamil Ahmed (Head of Procurement)	September 2018 * Awaiting further updates

Recommendation 4:

The Council should commission research to examine the contribution European migrants make to the borough's labour market and the potential impact of Brexit on the Financial & Professional Services, construction industry and the borough's key growth sectors.

Comments from SPP Service:

The SPP Service will work with the Growth and Economic Development Team to support the Brexit Commission to collate up to date research and intelligence about the potential impacts on the borough's key sectors and labour market characteristics of EU workers in the borough.

The Brexit Commission will explore evidence about the threats and opportunities of Brexit to our big, small businesses and medium size enterprises (SME's) including the tourism sector. It will consider the competitiveness of the borough for international business over the short, medium and long term.

The Commission will also consider specific mitigation activities that can be developed to retain and attract the required workforce, develop skills and improve business productivity to enable future economic growth.

Recommendation 5:

- a) The Council should produce a finance report which identifies all EU funded projects and services that our key partners deliver in Tower Hamlets including regeneration schemes at risk of stalling.
- b) The Council should work closely with developers and partners to develop mitigation strategies to replace lost EU funds for community employment programmes, services and regeneration projects.

Comments from Service:

Housing Regeneration team has established that there was no specific EU funding going into our current council led housing regeneration schemes. They have written to the council's key RSL regeneration partners on schemes at this time: Poplar HARCA, Swan, L&Q and Eastend Homes – all of whom we either partner with directly on projects or have assisted by facilitating land assembly. They had a limited response so far but will chase up more responses.

The feedback received from one local RSL regeneration partner suggests they are certainly experiencing a much cooler market. Footfall on some schemes is less than this time last year and there is definitely an air of uncertainty. Brexit is a factor in this uncertainty, but there is also concern about rising interest rates. Potential buyers are also adopting a wait and see approach, possibly hoping for a drop in prices or greater sales incentives. Every developer I know operating in this area is totally reliant on Help to Buy. In summary, the current uncertainty is likely to lead to a slowdown in delivery as developers pause schemes or split them into smaller, less risky and more manageable chunks. We have also noted that developers are thinking about trying to increase the affordable numbers in their developments by leveraging in grant, thereby reducing their overall sales risk.

Comments from Third Sector Team:

We do not have any information on external organisations funding arrangements with the EU. The only European funding we currently involved is the ESF Community Employment Fund the £1.35m – over 3 years 50% of this has been provided by the LBTH, which currently has two more rounds and managed by London Councils.

Actions	Responsible Officer	Deadline
Consult with existing RSL regeneration partners and enquire if they are anticipating specific impacts in the short to medium term on their scheme funding.	Niall McGowan (Housing Regeneration Manager – Place Directorate)	Ongoing
Consult with Community and Voluntary Sector partners and enquire if they are anticipating specific impacts in the short to medium term on their scheme funding.	Steve Hill (Head of Benefits – Resources Directorate)	July 2018 * Awaiting further updates

Recommendation 6:

The Council should work closely with other Local Authorities and London Councils to co-ordinate the lobbying of Central Government to replace the EU funding loss.

Comments from Mayor's Office:

The Brexit Commission has been set up and a communication strategy is being developed that will enable us to effectively share the findings of the Tower Hamlets Brexit commission with the GLA, City of London and The London Councils and use that as leverage to connect this up with their Brexit impact studies and mitigation strategies.

The Communication strategy will also include how to successfully engage with our local MP's and GLA Member and provide further evidence and support to their lobbying efforts in Parliament on behalf of the borough.

Recommendation 7:

The 2018/19 Overview & Scrutiny Committee should carry out a full Brexit Scrutiny Review to obtain detailed assessment and better understanding of the progress of Brexit and its implications for the borough including a focus on:

- 1) Impact on the Council, core funding and services for residents;
- 2) Challenges and opportunities for local economy;
- 3) Community Cohesion.

Comments from SPP Service:

The setup of the Brexit Commission has been announced at 25th July Cabinet. The Commission would examine the impacts that Brexit will have on the Council, local economy and our residents, and to ensure that we can take action to minimise these impacts.

The new Scrutiny Lead for Governance (Cllr Mohammed Pappu) has been appointed as a Commissioner for the Brexit Commission. He will provide regular updates to the OSC of the progress of the Commission.

Actions	Responsible Officer	Deadline
The Scrutiny Lead for Governance (Cllr Mohammed Pappu) is appointed as an Commissioner for the Brexit Commission	Sharon Godman (Divisional Director for Strategy, Policy and Performance)	Completed
The Scrutiny Lead for Governance (Cllr Mohammed Pappu) provides bimonthly updates to the OSC of the work and progress of the Brexit Commission.	Sharon Godman (Divisional Director for Strategy, Policy and Performance)	Ongoing

Recommendation 8:

The Community Plan and all our strategic and risk management plans should reference Brexit.

Comments from SPP Service:

The Tower Hamlets Plan includes a clear reference to Brexit and the Brexit Commission will look to develop high level contingency plans to manage key risks and to ensure appropriate preparedness.

The Tower Hamlets Partnership Executive Group has been briefed and consulted on the formation and scope of the Brexit Commission and two members of the PEG will be appointed as Commissioners and evidence will be gathered from local partners of their Brexit impact assessments and mitigation plans.

Comments from Risk Management Dept:

The Audit and Risk team have been proactive in engaging all sections of the Council to give adequate consideration to the threats and opportunities faced by the Council from the decision to leave the European Union. The current position is to wait for further outcomes from the negotiations between central government and the European union. We have conducted a number of risk workshops with various directorates and divisions within the council in which the impact of Brexit to business objectives have been considered and documented. We also held a risk talk in March 2018 on the impact of Brexit on the Council and local economy with an analysis of the impact on jobs and on migration as well as the strategy to secure the best possible mutual market access for financial services post Brexit. Further consideration was given to the impact of European union laws on council services such as food regulations and procurement. We currently have the following Brexit related risks on our risk registers;

1. Opportunity – O-RM0001 - Ensuring opportunities arising from leaving the European Union are maximised to ensure the borough remains a thriving, vibrant and successful place. The Fundamental Review of Support Services provides an opportunity to ensure that it is fit for purpose to support structures and is in place by 2019/20. (Risk Management)
- 2.RM-ER0004 - Impact of leaving the European Union on the local economy. (Brexit - Emerging Risk)
- 3.RS0047 - Impact of leaving the European Union on the Council and the local economy. (Corporate Resources)
 - Financial impact.
 - Staff impact.
 - Procurement impact.

We aim to build on this work as the negotiations progress and we begin to get a clearer understanding of the outcome.

Actions	Responsible Officer	Deadline
Sharing information about the potential impact of Brexit with all internal services,	Sharon Godman	Ongoing

community partners and stakeholders	(Divisional Director for Strategy, Policy and Performance)	
Developing mitigations plans about emerging risks in all our management plans	Steven Tinkler (Head of Audit & Risks)	Ongoing

Recommendation 9:

The Council should proactively seek out and respond to all direct and indirect opportunities to communicate and represent the Tower Hamlets interests in the Brexit process.

Comments from SPP Service:

The SPP Service will support the Brexit Commission to keep a close track of the UK Governments Brexit negotiations and analysis of the transition plans. The Brexit Commission will proactively seek out and respond to all direct and indirect opportunities to communicate and represent the Tower Hamlets interests in the Brexit process.

The Brexit Commission will explore potential benefits and opportunities for the borough post-Brexit and consider the development of new policies and programmes for economic development and community cohesion.

Actions	Responsible Officer	Deadline
Ensure that the Council proactively seeks out and responds to all Brexit related consultations and provides local intelligence and evidence to Parliamentary Select Committees in a timely and efficient manner	Sharon Godman (Divisional Director for Strategy, Policy and Performance)	Ongoing
Keep abreast of national and regional Brexit related policy developments and communicate Brexit related consultations and opportunities with all our statutory and community partners	Sharon Godman (Divisional Director for Strategy, Policy and Performance)	Ongoing

Recommendation 10:

The Council should develop policies and targeted marketing strategies to promote the Borough to retain and attract business and enable the future economic growth.

Comments from Service:

The Council has launched a consultation on the Growth Strategy and it is due to be formally adopted by Cabinet in March 2019. The Economic Development Team is currently developing a new round of Enterprise projects in outline form to support the Budget process.

Actions	Responsible Officer	Deadline
The emerging TH Growth Strategy will include policies and strategies to attract businesses and support growth	Vicky Clark (Divisional Director, Growth & Economic Development, Employment and Enterprise)	October 2018
Our current suite of enterprise support projects are due to finish at the end of the 18/19 financial year. New projects will be developed in the context of Brexit and its implications for the borough	Vicky Clark (Divisional Director, Growth & Economic Development, Employment and Enterprise)	October 2018
We will continue to monitor impacts on Borough employers via published data and via our Growth and Economic Development Partnership, and refine policies accordingly. We will also use the GED Partnership to test and explore project concepts.	Vicky Clark (Divisional Director, Growth & Economic Development, Employment and Enterprise)	March 2019