

The following summary outlines the current position as known and potential implications of Brexit for Angus Council as of March 2018

Information has been gathered from across services and agreed by the officer BREXIT group established December 2017

Issue for Angus Council	Case Study/Comments		
EU - Current & Proposed Funding	Awarded Funds	Amount	Focus
	LEADER	£2,750,186	Rural Development & Capacity Building
	EMFF	£114,960	Fisheries and Aquaculture
	Business Gateway (led by Dundee City Council for Tayside area councils)	£813,000	Support Business Growth
	INTERREG North Sea Programme	£205,000	LIKE Project: Digitalisation of services revenue
	Erasmus+	£851,303	Professional development of teachers and D&A College projects
	Proposed: Bids submitted		
	Low Carbon Fund Feasibility	£326,000	Initial bid for feasibility of £10k led to submission of large capital bid in 2018 for an integrated green transport hub in Angus
Current	<p><u>Current Funding in Angus</u></p> <p>LEADER Rural Development Programme</p> <p>The LEADER Programme is part of a bottom up EU regeneration programme that aims to capitalise on local skills and knowledge and encourages community development and offers business support. Angus LEADER programme 2014 – 2020 has just over £2.06 million to award, to date having made 26 awards totalling approx. £1.34 million, matched by approx. £1.03 million of non-LEADER funding. Around £1million worth of further applications are in development against the remaining approx. £729K million fund.</p> <p>All funds must be awarded by BREXIT i.e. 29 March 2019. In a debate on LEADER in the Scottish Parliament (6 March) it was confirmed by Conservative MSP Peter Chapman that the responsibility for the design and implementation of the future Scottish rural support system will be in the hands of the Scottish Government.</p>		

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	<p data-bbox="524 150 987 175"><u>European Maritime and Fisheries Fund</u></p> <p data-bbox="524 181 2101 347">Angus Council was awarded £114,960 under the Angus programme for projects in Angus. The programme is being delivered in partnership with Aberdeenshire Council. Marine Scotland has announced that all projects must be deliverable within the Brexit period (end 2018 deadline). The current projects going through assessment are under priority one “enhancing and capitalising on the environmental assets of fisheries areas” and priority two “promoting social well-being, cultural heritage and community development in fisheries areas”</p> <p data-bbox="524 395 2078 456">There have been no details at present on the future of the programme, but being a domestic fund, it will likely be replaced by the UK Shared Prosperity Fund.</p> <p data-bbox="524 504 987 529"><u>European Regional Development Fund</u></p> <p data-bbox="524 536 2119 775">Although Business Gateway services have core funding this is also supplemented by ERDF funding. This funding is specifically used to support growth companies. This is a vital service particularly in light of the slowdown in growth, not only in Angus but Scotland wide. At this time, an offer of grant has been intimated but not confirmed raising uncertainty regarding the operating period. This also impacts on the re-tender for Business Gateway service. With the continued restriction in public service budgets it may be that the private sector will have to take on the responsibility for this area of growth. Business start-up advice and other business support services are currently available online and it may be that the public service can no longer support this area to the same degree. It is a careful balancing act of encouraging private sector growth which in turns stimulates the local economy and priority of public service spend.</p> <p data-bbox="524 823 1778 849">Scottish Enterprise activities are also supported in part by ERDF for internationalisation and sector support</p> <p data-bbox="524 896 1281 922">The ERDF will be replaced with the UK Shared Prosperity Fund.</p> <p data-bbox="524 970 651 995"><u>Erasmus+</u></p> <p data-bbox="524 1002 2134 1203">Since 2014, schools in Angus and Dundee and Angus College have received more than approximately £851,303 in Erasmus+ funding (a breakdown of these figures is available on request). The schools are; Arbroath Academy, Borrowfield Primary School, Grange Primary School, Isla Primary School , Lochside Primary School, Maisondieu Primary School, Northmuir Primary School, Southmuir Primary School, Strathmore Primary School, Tannadice Primary School, Warddykes Primary School, Whitehills Primary School. Erasmus+ funding allows for teachers to spend time in another EU country on a language or professional development course, or to job shadow in EU schools to learn more about innovative teaching methods.</p>

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	<p>The Scottish Parliament's Europe committee recently adopted a report on Erasmus+ in which a cross-party group of MSPs (Conservatives, Greens, Labour, Liberal Democrats, SNP) confirmed their support for continued participation in the programme post-Brexit. The report states that if the UK government cannot or will not be involved in Erasmus+ post-Brexit then the committee will call on the Scottish Government to seek a specific solution for Scotland.</p>
	<p><u>INTERREG North Sea Programme</u></p> <p>Angus Council AND Angus Health and Social Care Partnership are part of a successful consortium bid with transnational partners focusing on digitalisation of services and big data developments. The focus is to make better and innovative use of data to deliver smarter services and explore opportunities using the 'internet of things'. Working with the project will allow for better planning of service provision, enhance the health and social care integration agenda and promote providing more for less without affecting quality of provision.</p> <p>Like! Building a Local Digital Innovation Culture was successfully approved; project work packages are progressing and well underway.</p> <p>Project partners are: University of Groningen (Netherlands), Municipality of Groningen (Lead Beneficiary) (Netherlands), Municipality of Roeselare (Belgium), University of Vechta (Germany), Vechta Stad (Germany) Province of Drenthe (Netherlands), Municipality of Rotterdam (Netherlands), Angus Council (UK), Aalborg Kommune (Denmark) and Suffolk County Council (UK)</p>
	<p>Angus Council and Angus Health and Social Care Partnership are active across all five work packages. Work packages 1 and 2 are focused on project management and reporting and are led by the Municipality of Groningen, Work package three aims to create a local Digital Innovation Culture across North Sea Region supporting learning which seeks to move public services/local government to a position where digital innovation is part of the normal everyday working..and is led by Angus Council; Work package 4 aims to deliver smarter services through using good data and e use of data dashboards and is led by Suffolk; work package 5 aims to address digital DNA for cities/neighbourhoods, there is a focus on the development of interactive dashboards to support knowledge in communities and the opportunities for using the internet of things, this work is led by Aalborg. This learning from each work package integrates within the overall project</p> <p>Angus is hosting the 5th Steering Group and Mid-Term Conference here in Angus in July 2018. The 5th steering group will see Angus Host around 30 staff from the project partners for 3 days in Montrose followed by the mid-term conference which conference will see over 100 people attend an event in Carnoustie.</p>

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	<p>An example of some of the work being carried out within the Angus work package is detailed below:-</p> <ul style="list-style-type: none"> • Community Engagement in Arbroath- the intention is to extend and improve the reach and quality of community engagement in the Arbroath locality by developing the use of digital and online technologies. This will be developed through dialogue with members of communities who are currently less likely to engage in off-line activities. It will also be linked to the development of the Locality Plan • Accessible data to support improvement in planning for health and social care services at locality level. • The development of data dashboards to improve accessibility of open data for the public • The development of locality finder tools using qGIS • Development of opportunity and improvement in digital engagement with people who use services and the public on service design and delivery • Delivery of digital democracy • Participatory Budgeting – the delivery of extended participatory budgeting pilot work in Brechin, building on previous delivery experience and strengthening the digital component. We will also be looking to expand the work into some other areas.
	<p>Through participation in this project Angus Council is benefitting hugely through knowledge exchange and sharing of good practice as well as moving forward on our journey to becoming a digital Council.</p> <p>There is strong stakeholder support, including from CoSLA, on continuing to participate in INTERREG post-Brexit as a 3rd country.</p>
	<p><u>Proposed Funding</u></p> <p>Low Carbon</p> <p>ERDF funding was awarded to undertake a feasibility study for an Integrated Green Transport Hub in Forfar to support targets and enhance transport options for locals and visitors to Angus. The study demonstrated a need for a hub to be located at the proposed key location close to the A90. The hub will provide a range of electric charge points and support further connection across the local and regional area. A bid has now been submitted to the LCTT Challenge Fund for £326,000 for capital works.</p> <p>The decision for this application is due by the end of April.</p>

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Current Position on Future Funds	<p>Following the end of phase 1 Brexit negotiations, the UK and the EU agreed that obligations under the seven year Multiannual Financial Framework (MFF) 2014-20 would be honoured. This means that the UK will continue to participate in the aforementioned EU funding programmes as if we were a full EU member, even beyond March 2019. This includes EU Structural and Investment Fund (ESIF) projects (ESF, EMFF and the ERDF), INTERREG, Horizon2020 research funding, Europe for Citizens and Erasmus + etc.</p> <p>The UK government has confirmed that a UK Shared Prosperity Fund will replace major funding programmes, but at the moment little is known of this apart from it will tie into the government's Industrial Strategy. The department responsible – the Ministry of Housing, Communities and Local Government– will consult on the design and the implementation of this fund, however the consultation date for broader stakeholders has been postponed from September 2017 until later in 2018. The devolved administrations will be consulted early in 2018.</p>
<u>Procurement</u>	<p>Our operating assumption is that BREXIT will not substantially affect the procurement policy and rules applicable to Council procurement of goods, services and works necessary to deliver council services. This is because (a) much of EU procurement rules, policy and principles either (a) have been adopted into Scottish procurement legislation by the Public Contracts (Scotland) Regulations 2015 (and equivalent regulations implementing the EU directives on utilities and concession procurement) or (b) mirror Scottish government procurement policy, including that applied below EU threshold levels by the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016. It is also likely that the trade agreement to be struck between EU and the UK as part of BREXIT will require application of rules equivalent to the EU Public Procurement Directive (2014/24/EU, already incorporated into Scots law by the 2015 regulations referred to above).</p>
Waste, Recycling and Environment	<p>The Institute for European Environmental Policy (IEEP) estimates that there are more than 500 directives, regulations and directions that make up EU Environmental Law. For those in local authorities some of the most significant include: Landfill Directive – requiring member states to reduce the amount of municipal waste going to landfill; Waste Framework Directive, which sets recycling and recovery targets and basic principles for the management of waste; Water Framework Directive, requiring all rivers, lakes, groundwater and coastal waters to be of good quality by 2020; Bathing Water Directive, which sets quality standards for recreational waters to reduce pollution; Ambient Air Quality Directive, which sets air pollution limits; Habitats Directive, requiring member states to protect biodiversity, animals and plants; Environmental Noise and Environmental Impact Assessments for certain projects. Given that these policies and legislative arrangements have been approved at a National level it is unlikely that leaving the EU will impact on them.</p>

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	<p>In the event of the UK remaining within the EEA, most environmental law would be required to continue. Outside the EEA, UK businesses exporting to the EEA would still need to meet standards to ensure they couldn't undercut those elsewhere in the EEA. While compliance with EU legislation is ultimately the responsibility of UK government, the devolved administrations have, in practice, often been responsible for developing appropriate policy and regulation, for example, the Scottish Government set tighter limits for air pollutants than the rest of the UK.</p>
Business Support	<p>Angus Council currently contributes £3000 to membership of Supplier Development Programme (SDP) to inform and educate businesses on how to submit tenders via Public Procurement Scotland website and access support via workshops to help them understand the procurement landscape. Whilst changes to procurement are not directly linked to the work that we do with SDP, legal changes may impact on businesses being interested (or not) in submitting bids. We are, however unlikely to see any major changes to procurement law for the reasons given above.</p>
	<p>EU State Aid rules govern the financial assistance that can be given to companies, including help to create or protect jobs in the UK's less prosperous areas ('Assisted Areas'). Scotland had a significant hand in shaping the current EU rules on regional aid and in defining the current Assisted Area map which now includes part of Angus. The present EU rules and map are in place until 2020 however it is unclear what the impact of Article 50 would be on this timeline. While regional aid is Scottish Government funded, the governing rules are defined by EU regulations.</p>
Tourism	<p>With BREXIT future skills and workforce availability is an issue for this sector specifically in hospitality</p>
Food and Drink	<p>80% of Scotland's food & drink products are sold in the EU but what is not clear is how these will be affected by the changes nor impact (positively or negatively) on the businesses in our area.</p>
EU Workers/ AC Employees	<p>The UK Home Office has stated that EU nationals (thought to be 3 million) can apply for "settled status". This will be an online application process with six to eight questions and a cost of no more than £72 with a decision delivered within two weeks. Those who qualify for settled status, giving them indefinite right to live in Britain, will have to demonstrate five years' continuous residence and pass a criminal record test. This does not address the issues of those with less than five years residence or seasonal workers.</p>

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	<p>EU workers are important to the Care Sector in Angus particularly given the ageing population and benefits from EU workers to support the Agricultural sector throughout the year. More innovative and alternative local skills supplies will be required. This would also require a change of approach from employers to recognise that local labour would require some form of guarantee of hours and wage rates without an expectation of living on site (as currently applies in soft fruit). It would also require a more flexible approach from DWP and HMRC to allow trial periods and/or increased earning disregards. There is a belief among these industries that local people are 'not interested' but that is not entirely fair as this local work was effectively removed from the local labour market as an option as it was easier to have an agency provide the labour force.</p>
	<p>The care sector and health service also rely on the availability of these workers and the skills that they bring. Manufacturing and processing also utilise this labour pool as does the hospitality sector. These are all key sectors for Angus and it will require a big effort and innovative solutions from a number of partners in order to address this.</p>
Finance	<p><u>Capital Investment</u> – The impact on capital projects and investment proposed by Angus Council which based on historic levels of funding support would have or could have accessed EU funds is significant as shown in the funding table (section1 1). It remains to be seen what new funding streams may become available in place of existing EU funding routes. BREXIT may also have an impact on to our treasury management if for example there is volatility in interest rates for our borrowing caused by the final deal and transition arrangements.</p>
Capacity	<p>There is concern from within Council services over the capacity needed to make the transformational changes in public services that are needed at the same time as managing of the work created by Brexit.</p>
Latest Articles	<p>A full list of publications can be found on the Council's BREXIT sharepoint.</p>