

PRESENT: Councillor Karen Shore (Chairman)

Councillors Carol Gahan, Lynn Gibbon, Sam Naylor, Bob Rudd,
Lynn Riley (Reserve) and Neil Sullivan (Reserve)

Apologies for absence were received from Councillors Andrew Dawson and
Mark Stocks.

Reserve Members: Councillors Lynn Riley and Neil Sullivan

Officers in attendance:	Charlie Seward	Deputy Chief Executive (Place)
	Laurence Ainsworth	Director of Public Services Reform
	Matthew Dodd	Senior Strategy Manager
	Rob Butler	Executive Support
	Deborah Ridgeley	Democracy Business Manager

22 APOLOGIES FOR ABSENCE, INCLUDING DECLARATIONS OF INTEREST

The Chairman welcomed everyone to the meeting and introductions around the
table were made.

Members declared the following interests:

- Councillor Neil Sullivan – declared that he managed an organisation that
imported from and exported to Europe.

23 MINUTES

AGREED: That the minutes of the meeting of the Policy Commission: Planning for
a Post Brexit Future held on 18 December 2018 be noted and approved as an
accurate record.

24 BACKGROUND TO THE POLICY COMMISSION

The Chairman provided an overview of the work of the Policy Commission, which
was established by Cabinet in September 2018. This was the fourth meeting of the
cross-party forum, working to support the Council's preparation for working in a
post-Brexit environment.

Members were reminded of the level of attention Brexit was receiving, and the
work of the Commission was not to recreate the referendum but to be forward
facing, and to identify activities that could be undertaken. The scope of the
Commission would take into account the significant impact that Brexit could have
of all residents, local partners and Council services.

There was no plan that could be taken from the shelf and implemented, and the
impact would differ depending on the nature of the deal, so it was dependent on
local groups such as the Commission to support planning, preparations and to
provide a steer to officers for further work.

The themes to focus on during the submissions were outlined as Workforce and Economy; Rules and Regulations for how the Council operates; Wider Rural Issues and Considerations and Public Services and Residents. All submissions received would be taken into account when the final report was developed and would be included on the Policy Commission's website in full as an evidence base for the Group's work.

25 CALL FOR EVIDENCE OVERVIEW

The Chairman welcomed the speakers to the meeting and thanked them for submitting their written evidence in advance. As stated previously, all submissions would be appended to the final report and would appear on the Policy Commission's website. Members would be invited to comment on each submission, but it would not be possible to respond to all questions.

There had been five written responses, and eight requests to make verbal representations, the remaining time of the meeting would be allocated to any attendees who wanted to make a representation on the night of the meeting.

26 VERBAL RESPONSES (NOTIFIED IN ADVANCE)

The Chairman reminded Members that the Call for Evidence session had been promoted by various methods as approved at the Third Meeting of the Commission, including social media, Council's website, promotional videos and Member Briefing Notes. Each speaker was invited to address the Commission for ten minutes, and time would be allowed at the end of each presentation for questions or discussion on issues raised.

1. John Lennon International Airport – Robin Tudor, Head of Public Relations:

- The Airport had been experiencing year on year growth in visitor numbers and had recently passed over 5.1 million passengers in 2018.
- The location of the Airport meant it had strong links to Cheshire, North Wales as well as the Liverpool City Region, and it was passengers visiting the area as well as leaving.
- Major airlines used the Airport for European, and were predominantly the low-cost airlines, with Ryanair, Easyjet and WhizzAir being the most prominent, the latter mostly offering Eastern European flights.
- Airlines always planned 18 months ahead, so "slots" for 2020 were now being considered, and it was noticeable that the previous growth and requests for slots was slowing down.
- Recent discussions with two new airlines about possibly using the Airport had paused, due to the uncertainty of the outcome of Brexit.
- The Airport had aspirations to link into other major airports and act as a hub.
- Uncertainty remained as to any impacts on landing rights, freedom of flights, and the aviation industry.
- Changes to the Border Force and how they would be operating was beyond the control of the Airport, but it was not anticipating additional delays or queues due to Brexit, even in the event of a "No Deal" Scenario.

Items raised by Members included:-

- What assistance could Cheshire West and Chester Council offer to the Airport? – Support would be most welcomed with the Airport’s lobbying of Government to retain the right to fly and continued operations.
- Was the slow down most noticeable in flights incoming or outgoing? - The figures were similar at present.
- Had benchmarking against other airports been carried out? – Regular comparisons were carried out with similar sized Airports.
- Had there been an impact on freight traffic? – Liverpool did not have a large freight operation, but it had been considered that Brexit could impact on local industry and their ability to consider their “Just-in-time” style of supply chain.
- Were the opportunities arising from Brexit? – There was the potential for all Airports to benefit from changes in EU restrictions; flights in Heathrow could be relaxed; impact on Duty Free; potential for increased commercial operations at airports.
- Would the introduction of visas to travel to Europe have an impact on the Airport? – This would be monitored by each Airline, as currently passport information had to be submitted in advance for Spanish flights. Passengers would need to prepare for flights and the airlines would need to promote this if it was required.

The Chairman thanked Mr Tudor for attending and reminded the Commission that further questions could be submitted to partners through Matt Dodd should further questions arise following the meeting.

2. Peel Environmental Limited – Jane Gaston:

The Deputy Chief Executive, Charlie Seward, referred to the comprehensive written submission and confirmed that part of the submission referred to a site that had not yet received planning permission, and reminded the Commission that this would require progress through the usual planning process and forums.

- The submission focused on identifying practical opportunities to address the potential implications of Brexit on the local economy, workforce and skills.
- At present, they had not noticed any impact on their development plans, and were still receiving regular enquiries. They continued to be in negotiations with companies and worked within the West Cheshire Borough and explored cross-border opportunities. They also had regular dialogue with the Cheshire and Warrington Local Enterprise Partnership.
- Peel Holdings were involved in supporting the Local Industrial Strategy, as one of the “Grand Challenges” was Clean Growth, and they were a key member of the Cheshire Energy Hub.

Items raised by Members included:-

- A question was raised regarding whether a change in regulations would mean organisations could grow quicker, or create new opportunities? – Ms Gaston responded that it was still unclear, but Peel was monitoring the situation and would be looking out for opportunities to promote clean growth.
- Could Peel lose their partners from the EU due to Brexit? Did they still work with other countries? – It was confirmed clean growth was a global issue

which went beyond Europe, although the possible loss of EU Funding would have a big impact on speed of expansion.

- Did the area have access to the necessary skills, talent, expertise in this area? Did it attract enough skilled employees? – Ms Gaston confirmed that they had held discussions with the LEP and local partners as well as the Council about this. There were transferrable skills from industry in the Borough and across the sub-region.

The Chairman thanked Ms Aster for attending and invited Members to forward questions to officers. The written submission would appear on the website and would accompany the Cabinet report.

3. Rory Hannah, Local Resident:

- His employment background was in technical planning and had worked extensively in advertising.
- The uncertainty of the outcome of Brexit had made a significant change to his industry, with clients not feeling confident in employing services from the UK.
- Traditionally, when producing commercials it was usual for casting, location of sets etc to be planned two years in advance. However, clients were not committing due to uncertainty with employment law changes, methods of payment, currency exchanges. This has created a number of unknowns, many of which have contributed to a decline in work.
- In engineering, he was also experiencing at first hand the impact of the uncertainty, and whether post-Brexit any tariffs on goods or services would be introduced. European clients had stalled on committing to new contracts.
- He referred to the recent fire at Stanlow Refinery and the decision taken to not rebuild the plant as it was not cost effective. He felt it was a missed opportunity to use local businesses and workforce in the rebuild and the potential boost to the local economy was lost.

Items raised by Members included:-

- Did he see any opportunities in Brexit? – Mr Hannah replied that he had seen three business colleagues struggle financially and was concerned this could continue. He was hopeful that European contracts would return, but if tariffs on goods were introduced in place of the current zero tariffs then he would see local businesses continuing to struggle.
- The Chairman thanked Mr Hannah for attending and reminded Members that further questions could be submitted through Matt Dodd if required.

4. Chester and North Wales Chamber of Commerce – Matthew Hodgson

The Chairman welcomed Mr Hodgson back to the Commission, as he had previously presented to Members at the group's first meeting in November.

- He referred to a recent local business survey, from 2018 Quarter 4, which contained a series of questions to monitor the economic trends, aspirations, planning and financial impacts of local businesses.
- The results of the survey were used by the Bank of England and the Office for Budgetary Responsibility and were influential in interest rate discussions.

- The Chamber was one of 53 accredited Chambers across the country and each provided an insight into local commerce at a point in time.
- The survey had received 98 responses, with a split between commercial and service industries. A slight easing in growth had been noted, however, it was noted that exports were at the lowest point since mid 2016.
- Recruitment numbers still looked positive as at November 2018, but that could be a timing issue.
- Expenditure on plant machinery was the highest on record, as was employee training, both unexpected but positive. The unknown impact on currency exchange rates could be a factor in this area.

Items raised by Members included:-

- How could Cheshire West and Chester Council support the small and medium size businesses? – The Chamber was regularly receiving requests for information about the impact of Brexit, how to prepare and what help was available.
- It was suggested that when the Business Rates information was sent out to all local businesses, the contact details of the Chamber be included, along with support by the LEP and the Council.
- Was there much change by businesses due to currency fluctuations? – Information on this was monitored and would be shared with the Council.
- Could the next survey include questions about businesses planning to invest or not due to Brexit? – The survey consisted of a number of set questions, but each Chamber was able to add “local” questions and this could potentially be included.
- In relation to the investment in plant machinery and training, was this by local businesses or larger national companies? – It had been reported that it was local businesses that had invested.
- Were local businesses optimistic about post-Brexit? – Each business was different and the impact of Brexit was different, but all were requesting clarity on the impact which the Chamber was not able to offer.

The Chairman thanked Mr Hodgson for attending, and if Members had further questions to submit to officers.

5. Countess of Chester NHS Trust – Simon Holden:

- Mr Holden provided a presentation about the Trust’s preparations for Brexit.
- The Trust covered West Cheshire and North Wales, and had an overall budget of £235m in 2017/2018 accounts, of which nearly 70% was staff costs.
- The Trust ran two hospitals, covering a population of 400,000, and both are classed as general hospitals, in Chester and Ellesmere Port.
- An overview of the services offered by both hospitals was provided, and it was noted that the Trust employed 4,800 members of staff.
- The Trust had volunteered to be Pilot Area through the Home Office Settled Status Scheme, which encouraged employees from the EU to register.

- There are currently 68 non-UK EU staff employed by the trust, as of January 2019 48 had registered through the scheme.
- A restriction on the employment of people from non-EU countries had been lifted, which would assist in the recruitment of Tier Two employees.
- It was hoped that formal recognition of qualifications held by non-EU residents would become an Act, as it was currently at the White Paper stage.
- Goods and Services were sourced nationally, and a co-ordination team had already been established by NHS England. Each Trust had a designated officer to lead on Brexit planning and they reported to this team.
- Business Continuity Plans were constantly updated and reflected local and national issues.

Items raised by Members included:-

- Had consideration been given to long-term planning for recruitment? – Mr Holden confirmed that as a large employer plans were in place. It had been hoped to introduce a Nursing Apprenticeship but this was dependent on finances and still under development.
- Were there plans in place to cope with possible rising costs in drugs, particularly if they were sourced from EU? Mr Holden responded that this was being co-ordinated nationally, and that all Trusts had been instructed to not stockpile any drugs or goods.
- Did the Trust hold information about the nationality of staff and in which area of the Trust they were employed? This information was available and would be made available to the Commission.
- Were there any opportunities to work with other organisations or other Non-EU countries as a result of Brexit? – It was confirmed that the Trust had not engaged with the LEP regularly to-date, and this was an intended area of improvement. Work with other organisations or partners would be carefully monitored as it was important to not place any additional financial burden on the Trust.
- Did the Trust anticipate any added pressures to key performance issues, Delayed Transfers of Care, waiting times, Accident and Emergency? – Mr Holden confirmed that the services would continue, and the Trust would offer the safe, kind, healthcare that they currently offered. No specific scenario planning had taken place but all Trusts had Business Continuity Plans in place.

The Chairman thanked Mr Holden for attending and invited Members to submit any further comments to officers.

6. Cheshire West Voluntary Action – Helen White

- The written submission provided by Cheshire West Voluntary Action was read out, and comments and questions invited. The submission will be appended to the report and Policy Commission's website.

Items raised by Members included:-

- The written submission included a number of questions to the Commission – due to the uncertainty regarding these issues the Commission did not have the detail to answer all of them. However, Ms White noted the level of uncertainty that existed.
- Ms White highlighted the challenges of financial security that can exist for many Voluntary and Community Sector Partners the West Cheshire Voluntary Action represent, and asked for consideration to have an emergency funding process to sustain the services they offered in the event of short-term shocks. It was noted that if these services failed that there would be a significant impact on local residents.
- Was there funding available currently from the EU, and did the Council also provide funding? – It was confirmed that the Council did provide some funding and it would be helpful if the EU funding would continue but accepted there were no guarantees about this. An unknown impact would be the local donations, and whether Brexit would impact on charitable donations and general philanthropy by local businesses also under financial constraints.
- The recognition of the Third sector as an important partner by Cheshire West and Chester Council was appreciated.

The Chairman thanked all speakers for attending the Commission and providing written representations.

27 VERBAL RESPONSES (NOTIFIED ON THE DAY)

The Chairman confirmed that there were no additional requests to address the Commission.

28 WRITTEN RESPONSES - OVERVIEW

Matt Dodd, Strategy and Innovation Manager, referred to the written evidence that had been submitted prior to the meeting; and outlined below.

Written submissions received from:-

- Justin Madders MP
- Peel Environmental Limited
- Chester Voluntary Action
- Mr John Sandiford, Local resident
- Grosvenor Estate.

A summary of each submission was provided with an invitation to gather further detail and information as necessary. It was noted that these written submissions would be made available to a wider audience through the Post Brexit Policy Commission website, and that the documents would also be appended to the final report submitted to Cabinet.

29 DATE OF NEXT MEETING/NEXT STEPS/ ANY OTHER BUSINESS

The next meeting of the Policy Commission is scheduled for Tuesday 12 February 2019 at 6.00pm, in the Palatine Room, Town Hall, Chester.

Members were reminded that if they had any further questions they should be forwarded to officers for inclusion in the final report.

It was anticipated that following this meeting, a report would be drafted and submitted to the Cabinet meeting on 20 March 2019, containing the recommendations suggested by the Commission.

Chairman

Date