

## **SOLACE NI**

### **EU EXIT TASK & FINISH GROUP**

#### **Terms of Reference**

These Terms of Reference summarise the core functions of the SOLACE NI EU Exit Task & Finish Group and describe the arrangements in place to enable it to operate independently, robustly and effectively.

#### **Statement of Purpose**

The SOLACE NI EU Exit Task & finish Group (herein after referred to as the T&F Group), is a key component of SOLACE NI's Governance Framework, providing an independent and high-level focus on the impact the UK's decision to leave the EU will have on local government within Northern Ireland prior to, and immediately after the end of the Transition Period.

The purpose of the T&F Group is to provide independent assurance of the adequacy of all aspects of the risk management framework and to co-ordinate the work of local government in its dealings with regional government departments, Emergency Preparedness NI and PSNI.

The T&F Group will be responsible for researching, monitoring and reviewing the financial, resource or operational impact upon local government in this jurisdiction and for making recommendations to SOLACE NI on all such issues to ensure that they have the right information at the right time to help ensure that local government's voice is heard.

In pursuance of its purpose, the T&F Group will engage with & consider the activities and approaches of partner organisations relevant bodies across Northern Ireland in relation to impacts arising from exiting the EU and the end of the Transition Period, with a view to ensuring any consequential implications arising for local government are taken into account.

#### **Membership**

A chair will be appointed by the chair of SOLACE NI and will server a term at the pleasure of SOLACE NI.

The T&F Group will be made up of members from each of the 11 councils within Northern Ireland.

Each individual council will nominate two officers to sit attend group meetings and to take on tasks as allocated by the Chair from time to time. At least one member from each council should attend the meets, which will be advertised to all members in advance.

The Local Government Liaison Officer (LGLO) and the Regional Officer; Civil Contingencies, will also have full membership of the T&F Group.

#### **Meetings**

A quorum for the T&F Group will be a minimum of 4 members from 4 different councils and either the LGLO or the Regional Officer; Civil Contingencies.

The T&F Group will meet at least once per month but the chair may arrange meetings at any other time or frequency, depending on need. The LGLO will be responsible for arranging all meetings at the behest of the chair.

The T&F Group may ask any other officer from any Northern Ireland Council to attend to assist it with any discussions on a particular matter.

### **Responsibilities**

The specific responsibilities of the T&F Group include:-

- The continuous monitoring of progress and announcements around EU exit and the impacts of Brexit on local government in Northern Ireland, either directly or indirectly.
- Articulating the issues to be considered as part of the transition and end of transition arrangements to SOLACE NI by way of verbal updates and written reports;
- Influencing and contributing to considerations of the implications of the end of the Transition Period on both local government and on Northern Ireland as a whole where this may impact on local government;
- Identifying risks and mitigating factors at a local government level, for and on behalf of SOLACE NI and all councils within Northern Ireland.
- Reviewing and reporting on changes to legislation arising out EU exit. Analysing and attempting to quantify impact on the delivery of council services;
- Maintaining good relations with regional government departments and other bodies that have or may have a contribution to the development of a post EU future for NI.

### **Access**

The T&F Group, as the direction of the chair, may seek information from officers or employees of Councils within Northern Ireland.

[End]



<b>Report Subject:</b>	EU Exit and the Implementation of the Northern Ireland Protocol
<b>Report by:</b>	Anne Donaghy
<b>Report to:</b>	SOLACE
<b>Date:</b>	26 January 2021

The purpose of this report is to update SOLACE colleagues on the most recent developments in relation to the UK-EU Exit and the implementation of the Northern Ireland Protocol.

On Friday 1 January 2021, the transition period of the United Kingdom (UK) leaving the European Union (EU) officially ended.

On 29 December, the UK Government published the European Union (Future Relationship) Bill, which will enable them to implement and ratify the Agreements agreed between the UK and the EU.

#### **EU-UK Trade and Cooperation Agreement (TCA)**

The EU-UK Trade and Cooperation Agreement (TCA) was formally signed on 30 December 2020.

Key features of the Agreement include the following:

- **Trade:** There will be no tariffs or quotas on trade in goods provided rules of origin are met. There are increased non-tariff barriers, but measures on customs and trade facilitation to ease these.
- **Governance:** The Agreement is overseen by a UK-EU Partnership Council supported by other committees. There are binding enforcement and dispute settlement mechanisms covering most of the economic partnership, involving an independent arbitration tribunal. There is no role for the Court of Justice of the EU in the governance and dispute settlement provisions.
- **Level playing field provisions:** Both parties have the right to take counter-measures including imposition of tariffs, subject to arbitration, where they believe divergences are distorting trade. There is also a review mechanism where this occurs frequently.
- **Subsidies/state aid:** Both parties are required to have an effective system of subsidy control with independent oversight. Either party can impose remedial measures if a dispute is not resolved by consultation.
- **Fisheries:** 25% of the EU's fisheries quota in UK waters will be transferred to the UK over a period of five years. After this, there will be annual discussions on fisheries opportunities. Either party will be able to impose tariffs on fisheries where one side reduces or withdraws access to its waters without

agreement. A party can suspend access to waters or other trade provisions where the other party is in breach of the fisheries provisions.

- **Security:** A new security partnership provides for data sharing and policing and judicial co-operation, but with reduced access to EU databases. A new surrender agreement takes the place of the European Arrest Warrant.
- **EU Programmes:** Continued UK participation in some EU programmes: Horizon Europe (Research), Euratom Research and Training, ITER fusion and Copernicus (satellite system).
- **Review and Termination:** The TCA will be reviewed every five years. It can be terminated by either side with 12 months' notice, and more swiftly on human rights and rule of law grounds.

Alongside the TCA, the UK and EU also agreed the Nuclear Cooperation Agreement (NCA) and the Security of Classified Information Agreement (SCIA).

### **Withdrawal Agreement Joint Committee**

The fifth meeting of the EU-UK Joint Committee under the Withdrawal Agreement took place on Thursday 17 December 2020.

The Committee approved a decision to establish a list of 25 persons who are willing and able to serve as members of an arbitration panel under the Agreement and agreed to consider it as being adopted pending completion of the EU's internal decision-making procedure.

The Committee has agreed to continue to hold meetings regularly in 2021, at a minimum of once a quarter.

### **Northern Ireland Protocol**

The Northern Ireland Protocol officially came into force on Friday 1 January 2020. The Protocol is one of the most significant elements of the UK-EU Withdrawal Agreement. It was designed as a practical solution to avoid a hard border on the island of Ireland in the event of a no-deal Exit, whilst ensuring that the UK, including Northern Ireland, could leave the EU as a whole. As the clear majority of Northern Ireland's trade is with Great Britain, safeguarding the free flow of goods within the UK's internal market is of critical importance to Northern Ireland's economy.

### **SOLACE EU Exit Task and Finish Working Group**

SOLACE established an EU Exit Task and Finish Working Group on behalf of Local Government. This Group is focused on the impact on the implementation of the Northern Ireland Protocol and coordinating any issues through the relevant channels.

## **Implementation of the Northern Ireland Protocol**

Following the implementation of the Northern Ireland Protocol on 1 January 2021, a number of concerns have been raised in relation to disruptions to the supply chain between Northern Ireland and Great Britain.

As a result of the widespread difficulties being faced and concerns over the possible long-term implications, a number of politicians have called for the UK Government to trigger Article 16 of the Northern Ireland Protocol. This would allow the EU or the UK to 'unilaterally take appropriate safeguard measures' if its application leads to 'serious economic, societal or environmental difficulties that are liable to persist'.

In response, the UK Prime Minister has expressed his preparedness to use Article 16 if necessary. During a meeting of the Northern Ireland Affairs Committee on 20 January 2021, it was recognised that there have been issues in relation to the implementation of the Protocol but that issues could be quickly resolved and that there is no requirement to trigger Article 16 at this point in time.

## **Disruption to Trade**

Concerns have also been raised over the possibility of job losses, due to difficulties transporting goods, delays and increased fees. Examples of issues that have been raised with the UK government are as follows:

- Some firms have stated they were informed that certain declarations would be processed within 30 seconds that are now taking in the region of 12 hours.
- Supermarkets withdrawing hundreds of products from their shelves.
- Of the 15 lorries to arrive in Northern Ireland from Great Britain on the first shipment under the terms of the protocol, six were directed to a border control post because they did not have the correct documentation.
- In the absence of guidance from HMRC, which was belatedly published on 31 December 2020, many online retailers made the decision not to service NI.

Local MPs have called for the Government to extend the three-month grace period for food businesses, which was agreed to allow firms more time to phase in new checks.

The difficulties that are beginning to emerge around trade and the movement of goods are early issues. Northern Ireland is now outside the EU and has no representation in EU institutions. Additionally, it has no decision-making powers in the UK-EU joint and specialised committees overseeing the Northern Ireland Protocol. Divergence in regulation over time, such as that already signalled by the UK, could mean Northern Ireland being stretched between two jurisdictions, as it will have to continue to meet EU rules and regulations.

## **Local businesses and haulage firms**

A number of local businesses have reported facing difficulties or delays in receiving goods from Great Britain. The delays are believed to be a result of increased administrative and bureaucratic processes, increased fees and a lack of understanding of the new requirements.

SOLACE has been contacted by a number of haulage firms who have raised concerns that the supply chain to Northern Ireland citing issues which include reluctance of Great Britain hauliers to complete additional paperwork, delays at English ports and lack of guidance on groupage.

SOLACE has raised these concerns with the DAERA Minister and the Secretary of State.

As widely reported on national media, large haulier businesses are reporting drops in business of between 30 and 40%. Delays are particularly severe in Dublin and Belfast, with some delays going on for days. Drivers and support staff are becoming reluctant to work on these routes as a result. Dublin are imposing approximately 30% physical checks. Approximately 20% of Northern Ireland goods pass thorough Dublin-Holyhead route. This is particularly important for Northern Ireland goods (for example, meat products and milk) reaching markets in the south of England.

As a result of the delays and difficulties at Points of Entry, many lorries are returning with empty trailers at additional cost to businesses. This is being borne at present, but unlikely to be sustained for long.

The three Councils are closely monitoring the three ports and are working with local businesses to collate supporting evidence on difficulties being experienced.

## **Concerns raised by Retailers**

On 12 January 2021, Chief Executives of large supermarket retailers, Tesco, Sainsbury's, Asda, Iceland, Co-Op and Marks & Spencer formally wrote to the Chancellor of the Duchy of Lancaster to share their concerns and warn that if the easement period (3 months) expires without a long-term solution in place, the problems will worsen.

In response to the letter, the UK Government have stated that a new dedicated team has been established to work with supermarkets, the food industry and the Northern Ireland Executive to develop ways to streamline the movement of goods in accordance with the Protocol.

Northern Ireland Retail Consortium is asking for easements to continue beyond March 2021 on SPS Checks and HMRC checks. They have asked that the Cabinet Office set up a dedicated group to work across departments with business as a type of "one stop shop" and for processes to be simplified, as well as more time to allow processes to "bed-in". The Consortium pointed out that of 40,000 items on sale in a typical supermarket, only a few hundred were in short supply. The issue is around a lack of choice and disruption, not a collapse in food supplies.

The Secretary of State has advised that the UK Government are working to address the issues related to the Protocol and that no extensions are planned for beyond the current end date.

The food industry is not the only sector to report delays and difficulties. The materials, textiles, advanced manufacturing, chemicals, cars and electronics industries, have also raised concerns.

### **Reinstatement of the VAT Margin Scheme for used-car sales**

Upon the implementation of the Northern Ireland Protocol, on 1 January 2021, used-car dealers across Northern Ireland would have been required to pay 20% VAT on cars imported from Great Britain.

However, on 13 January 2021, in response to lobbying by Northern Ireland used-car dealerships, the Chancellor of the Duchy of Lancaster confirmed that HMT and HMRC would reinstate the VAT Margin Scheme. Therefore, under the VAT Margin Scheme, dealers in Northern Ireland who purchase a second-hand car in Great Britain for resale in Northern Ireland will continue to pay VAT based on the profit made from reselling the vehicle rather than its full resale value.

### **Steel Tax**

On 8 January 2021, HMRC confirmed that all steel sold into Northern Ireland that does not originate in Great Britain will now incur a 25% duty. The lack of information surrounding the additional fees has raised significant concern and a number of suppliers have consequently ceased quoting into the UK as a result.

In response to the concerns, HMRC have confirmed that the additional duty will not be permanent for European materials; however, materials from third countries, including Turkey, will be subject to the levy for at least six months.

The news that the tax is temporary has been welcomed by local politicians, however, it has been noted that the UK Government has a long list of other complexities to address. During a recent meeting of the Northern Ireland Affairs Committee, the Secretary of State confirmed that HMRC are continuing to engage with businesses to provide support and that further guidance will be issued imminently.

### **Groupage**

Groupage, which is a type of haulage where goods from different companies for different customers are grouped together in one lorry, has emerged as a significant concern for trade between Great Britain and Northern Ireland. Groupage collections in England, Scotland and Wales is causing major disruption to markets in Great Britain and Northern Ireland, with a number of major suppliers temporarily withdrawing from Northern Ireland as a result.

The requirement for vet certification is being phased in for products such as meat, milk and fish; however, the certification is already required for food services and catering firms.

Traditionally, once certificates have been issued the lorry trailer is sealed until it reaches its final destination. However, a groupage movement may involve picking up goods from several different warehouses with loads potentially moving from one lorry to another along the way. This means trailer seals having to be broken, goods recertified and seals reapplied multiple times.

This process can be complex, time consuming and prone to error. Therefore, many hauliers are now refusing to transport groupage food loads. This is a particular concern for small and medium food companies in Northern Ireland that regularly receive products as parts of groupage shipments.

In response to the concern, the UK Government stated that they recognise the challenges being faced and are working intensively with the industry to resolve matters. The Secretary of State has shared that a trial has been carried out by DEFRA to identify a possible solution. He confirmed the results would be shared as soon as possible.

### **UK Internal Market Bill**

Following agreement by both Houses on the text of the Bill, it received Royal Assent on 17 December 2020. The Bill is now an Act of Parliament.

The UK Internal Market Act establishes two principles (the Market Access Principles) that apply to goods and services, ensuring our shared internal market continues to operate effectively:

- The principle of mutual recognition (MR) ensures regulations from one part of the UK are recognised across each of the others.
- The principle of non-discrimination (ND) supports companies trading in the UK, regardless of where they are based in the UK, by preventing unreasonably discriminatory regulation.

The Office for the Internal Market (OIM) will monitor the running of the UK Internal Market. It will provide independent, technical advice to all four administrations and their legislatures and sit within the Competition and Markets Authority (CMA). The OIM will begin operation later in 2021 following the necessary appointments process.

### **Business Support - Trader Support Service**

SOLACE continues to actively promote the use of the Trader Support Service to local businesses. Over 25,000 businesses have now signed up for the service.

**Correspondence with the Chancellor of the Duchy of Lancaster and senior politicians**

This continues and an update will be provided at the SOLACE meeting.

The full implication of the Northern Ireland Protocol is being reviewed as issues emerge.

SOLACE is committed to the promotion of sustainable jobs and tourism through the Corporate Plan 2019-2023. The practical implementation of the Northern Ireland Protocol is likely to have significant impact for Northern Ireland businesses and SOLACE will work to provide support for our local traders to minimise the effects.

A legal opinion is currently being carried out by Belfast City Council in relation to Council's legal position to be the charging authority and also to challenge the treatment of the internal market as a Third Country.

A full update will be provided at the next meeting.

Kind regards

A handwritten signature in black ink, appearing to read 'Anne Donaghy', with a stylized, cursive script.

Anne Donaghy

Our Ref: AD/jl

30 January 2021

By Email Only: [Brendan.threlfall@cabinetoffice.gov.uk](mailto:Brendan.threlfall@cabinetoffice.gov.uk)

Dear Mr Threlfall

**Re: NI Concerns on the Implementation of the NI Protocol**

I am the Chief Executive of Mid and East Antrim Borough Council with responsibility for the Implementation of the NI Protocol at Larne Port and I write to you in confidence. I am also the Chair of the NI EU Exit Task & Force Working Group and in this role I am working closely with officials from the Department of Agriculture and Rural Affairs (DAERA) and Food Standard Agency Northern Ireland (FSA (NI)).

I have been advised by my local MPs, Mr Ian Paisley, Mr Sammy Wilson and Sir Jeffery Donaldson that I should write to you to inform you of my first-hand experience in relation to the difficulties, concerns and evolving issues that are emerging locally with the implementation of the NI Protocol after only 30 days.

I have tried to summarise the issues at a high level to give you a flavour of the current situation. I am of course more than happy to expand on any of these issues and provide evidence, practical examples and speak to you directly if so required.

### **1. Security**

I am aware of the involvement of paramilitary groups and recent protests at Larne Port and have escalated this to senior PSNI and Executive Officials. Sinister graffiti has appeared at Larne Port which has raised a threat to staff working on the Border Control Posts. As Chief Executive my first priority must be staff's health and safety and I remain extremely concerned to their safety as I have been informed, for example, that cars entering and exiting the Port are being monitored and registrations collected. I have made the PSNI aware of the ongoing issues but I now feel compelled to take measures to protect the health, safety and wellbeing of my staff.

In doing so this may have implications for the supply chain at this very busy Port.

Please reply to:

■ **Head Office**  
The Braid  
1-29 Bridge Street  
Ballymena BT43 5EJ

□ **Ballymena Office**  
Ardeevin  
80 Galgorm Road  
Ballymena BT42 1AB

□ **Carrickfergus Office**  
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Carrickfergus BT38 7DG

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Larne BT40 1RU

□ **Planning Office**  
Silverwood Business Park  
190 Raceview Road  
Ballymena  
BT42 4HZ

Chief Executive  
**Anne Donaghy OBE**

Tel: 0300 1245 000

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## 2. Charges

I have had recent discussions with DAERA and FSA Officials I have been informed that NI and GB will be defined as a third country in order to administer charging at Northern Ireland's Points of Entry (POE). This is already a practice at Belfast Port through a framework agreement with the FSA and Belfast Council, however this is to deal with countries such as China.

There is no precedent for Northern Ireland to operate as a third country whilst remaining as part of the UK and indeed, part of the UK's Customs territory. There are obvious concerns and complexities with the current arrangements and I fail to understand the varies for this other than to fit it around an existing charging framework.

For me NI is not part of the EU and therefore I question the legality of the arrangements as they stand and the principles of consent enshrined in the 1998 Good Friday Agreement which continues to be implemented.

It was promised by the Prime Minister and the Duchy of Lancaster, Michael Gove, that there would be unfettered access to NI - GB markets. This now puts a real risk to unfettered access and puts an additional burden on trade into and out of NI and to the long term survival of the NI Economy as well as free trade. As Chief Executive, I am seeing evidence of this first hand at Larne Port. There is a point of clarification:

- (i) Legal requirement for charging which has been transposed from the OCR to the NI Protocol and I am unclear as to how the Protocol and therefore charging is supposed to work in these circumstances.

## 3. Governance

My Council was instructed by the NI FSA to introduce, manage and administer checks and charging at POE without the benefit of agreed governance arrangements. As a competent authority and on the basis of an existing framework from 2001 where Councils provide, on behalf of FSA, food safety inspections, my Council agreed to do so. It was indicated at that stage that all costs would be covered through Treasury. The framework that was used to do this was established in 2001 and was not meant for this purpose. It is very concerning that 30 days in I have no real idea who I am accountable to, what the performance arrangements are and still am in discussions with the FSA as to who is the competence authority responsible for Border Control Posts. Whilst it has been clearly stated that it is Councils, I do not believe this is the case and I am currently seeking a legal opinion on same.

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I believe the competent authority with the responsibility remains DAERA for products of animal origin, and FSA for all other.

#### **4. Long Term Funding of Council Staff**

FSA (NI) only last week confirmed funding for the staff employed by Council for the provision of a Border Control Post up until March 2022. Whilst this gives some comfort it has not been confirmed that FSA will cover the full costs of the Border Control Posts. We are getting funded for 12 Environmental Health Officers and I can assure you that I also have senior more experienced officials from Council working at the Port as well as myself as Chief Executive. None of these costs have been agreed to be paid. It is also of great concern how this will be financed from March 2022 and whilst not confirmed it is beginning to look obvious to me that the potential charge levied at the Ports will be used to pay for the staff and administration of inspections. If this is the case it is a high risk strategy for my Council and its ratepayers as this is not a Mid and East Antrim Borough Council issue only, but indeed a NI Plc issue.

#### **5. Union Connectivity**

Union connectivity is an important issue for Mid and East Antrim Borough Council. The four regions of the UK left the EU together as a region and we continue to seek trade across the world as a Union. It is important that NI is not disadvantaged across the region in any way and that trade remains unfettered. I had the opportunity to speak directly with Sir Peter Hendy at a roundtable event, in relation to his role in leading up the Prime Minister's review on Union Connectivity. At this meeting I clearly stated the concerns that my Council had in remaining a very important and equal partner in the Union and how important that was to our economic future. I have attached the Union Connectivity paper that my Council approved for submission and I feel that it is of utmost importance as we work together on the NI Protocol that the connectivity of the Union remains a key focus and is protected.

#### **6. Other Issues to Include:**

- (i) At the time of writing my 12 EHO are carrying out approximately 30% of documentation checks with the remaining 70% through DAERA Inspectors. DAERA Inspectors are now moving to physical checks and I am still unclear if my officers will have to do physical checks or identification checks, and if indeed the expectation of the amount of documentation checks will increase as DAERA turn their attention to physical checks.

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**Chief Executive**  
**Anne Donaghy OBE**

It is very difficult to manage a service when you do not know what is required.

- (ii) In addition, the assessment of the need for 12 EHO at Larne Port was done using volumetrics and it is now becoming clear that we are under resourced as we are experiencing only 60% of traffic through the Ports and our staff are fully utilised. If it increases to 100% I will be unable to give an assurance that I can meet that requirements. There is no contingency in the team with 4 teams of 3 officers in Environmental Health covering 24 hours a day, 365 days a year. If a Team experiences Covid-19 or any other issue that takes a team out this will manifest itself with a gap in the service.
- (iii) Haulers are finding it difficult to get backloads from GB due to the nature of groupage. At Larne Port we are experiencing approximately 40% of hauliers returning empty due to this issue. Anecdotal evidence at Larne Port from hauliers is indicating this leaves their business to expensive. This has been recently confirmed by the Road Transport Association who gave evidence at the NI Assembly.
- (iv) I have already highlighted to the Executive Office that a number of GB traders who had been using Larne Port have informed Officers that they will not be sending goods anymore as it is too cumbersome. This remains a real concern for the NI supply chain. Examples of this include Amazon and other courier companies.
- (v) Additional charges have already been evidenced with NI businesses where for example steel has a 25% tariff on it due to the implementation of the NI Protocol. This again is causing great concern to the local businesses in my area.
- (vi) The current PHILIS IT system used for the documentation checks is immature and it has been recognised that it is to be replaced in the future. Currently at a 60% flow rate through Larne Port the system is already demonstrating glitches and is already maxed out, and I have raised the issue that if the 60% begins to increase the system may indeed fail.

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I trust that you will consider the issues and secure the confidence of the information I have provided to you. The purpose of my letter is to positively resolve the issues and to ensure that NI has unfettered access and not disadvantaged in any UK trade deals.

Should you wish to give me a call on any of these issues, my mobile number is 07841 468873, but equally happy that you speak to any of the MPs in my area to communicate back to me should you so desire.

Yours sincerely



**Anne Donaghy OBE**  
**Clerk & Chief Executive**

Enc

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Chief Executive  
**Anne Donaghy OBE**



## Office of the Chief Executive

Your reference:

Our Reference:

Date: 4 February 2021

Dr. Denis McMahon  
Permanent Secretary  
Department of Agriculture, Environment and  
Rural Affairs.

Maria Jennings  
Director  
Food Standards Agency

Dear Denis and Maria,

**Ref: BREXIT TRANSITION AND IMPLEMENTATION OF NORTHERN IRELAND PROTOCOL**

I welcome the operational and local ongoing engagement, joint planning and collaboration approach being adopted by our officers to deliver the legislative and functional changes being implemented, on a phased basis, at the Belfast Port, as well as other ports across Northern Ireland.

I am also aware of the SOLACE correspondence sent by Ann Donaghy, which I am in agreement with. Whilst the engagement via our officers and SOLACE will continue, I do feel that we urgently need to set up an ongoing strategic engagement process with you both. This would be for the purposes of providing a leadership perspective on the way forward, enabling more effective planning for future services and creating a place for escalation of critical issues. We can obviously discuss this further at our meeting later.

In advance of that meeting I thought it would be prudent to set out a number of important concerns which we believe present major and imminent risks which will impact on the viability of the services at the ports.

Given that we are nearing a significant hard milestone on 1 April 2021 with the current expiry of the grace period for authorised retailers who have to date had some exemptions from the full range of checks and controls, we do not feel that there has been sufficient planning to accommodate the service required. The current issues with potential threats are also not aiding this process as you know. I would specifically highlight the following joint challenges which need to be resolved.

- i. **Roles and responsibilities of local government.** We are very mindful that the operation of the Border Control Posts, and the service they provide to trade and industry are vital to the economic success of the whole NI region. The challenges now posed to the Councils with ports servicing GB-NI movements of goods are significant, and carry significant financial,

economic and political risks. It is therefore vitally important that roles and responsibilities are clearly understood, and the approach for addressing these be agreed in partnership with all of the agencies involved, including local Government.

You will be aware that Belfast City Council, on behalf of local government, has sought a legal view on the specific responsibilities and accountabilities conferred upon councils under the EU Brexit Agreement and Northern Ireland Protocol. We have just received this opinion today and will share issues highlighted within it as soon as possible. A specific meeting of a strategic group may be needed to discuss and seek to resolve outstanding matters.

- ii. **Financial** – the recent confirmation from FSA on funding for the period 2021/22 is welcomed, however it is felt that the £1.79m offer for Belfast is significantly below what is required for delivering a fit for purpose service and is based on flawed assumptions, having had no direct input from Councils. Whilst the FSA is attempting to bid for some additional money from the Treasury, I am still very concerned that there is sufficient analysis or certainty around funding requirements. This uncertainty presents a significant risk to the finances of those Councils such as Belfast providing this service for all of NI. Moreover, it would be perverse if the ratepayers of a small number of councils have to bear costs for a NI wide service. At this point officers are predicting the financial requirements and budget for next year to be in the region of £5m for Belfast alone. Local Government cannot bear the additional elements of these costs from April and if a sustainable resolution is not found, a fully functioning inspection service will not be possible.

It will be important that we secure an appropriate budget for the 2021/2022 period to support the establishment and delivery of an adequate level of service and ensure compliance with regulatory requirements. This approach would enable further intelligence to be developed around the volume and nature of checks being processed through the Ports, the impact of any charging model which may be brought forward centrally and allow for intensive work to be jointly undertaken to establish a robust financial model and budget for the period 2022/2023 and beyond.

- iii. **Charging** - There remains significant uncertainties and challenges on whether, how and by whom any charging model will be brought forward and the associated timescales. We are very conscious of the potential impact of charges on the business community with Northern Ireland as well as the political sensitivities that are likely to arise as a result. Local Government has previously highlighted the need for urgent clarification on the competent authority responsible for setting charges and collecting fees – the legal opinion we have sought on behalf of SOLACE (referred to above) also considers this matter, but will not deal with the political or business sensitivities or decision making processes.
- iv. **Staffing** – the council has actively sought to populate and embed the staffing model introduced to implement the first phase of transition at the beginning of 2021. This was done in good faith and at pace given the urgent requirements and expectations as well as the confidence given to Councils from the FSA, DEFRA and DEARA through ongoing joint engagement. Logistically, there is specialist and technical experience required for the majority of these posts, it has proven difficult to attract a volume of appropriate officers. Given the certain need to reconfigure and enhance both the existing staffing model and then the staffing model required to deliver the substantial uplift and complexity of work linked to additional retail checks at the end of the grace period, the council is concerned that the pool of staff may not exist in the current employment market. This will impact upon the ability of the council to deliver the retail checks planned for 1 April 2021 which is a major risk that we

wish to bring to the urgent attention of both DAERA and FSA as central competent authorities and as we have already articulated this simply is not possible in this timeframe.

These concerns are further amplified by the lack of certainty around funding resulting in short-term posts (6months-12months) being recruited, as well as the absence of volumetric data required to inform operational, logistical and staff planning. Consideration should be given to what contingencies can be brought forward at pace including, but not limited to, revising the Food Law

Codes of Practice and the associated baseline qualifications required for authorisation of officers undertaking imported food controls. Clearly the Council does not wish to further compound the risk it is carrying and therefore an urgent strategic conversation is needed around the roles and responsibilities of all partners as well as clarity on the funding to be made available from the relevant central competent authorities. You will be aware that SOLACE has raised similar matters.

- v. **Accommodation** - I would welcome an update on the estimated timeline for the new build for the Border Control Post facility at Belfast Port which will accommodate Port Health staff from Belfast City Council. In view of some uncertainties around projected trade flows and in particular the volume of checks required, I am keen to understand what contingency arrangements are being planned to accommodate any required upscaling (in numbers or staff or increased facilities to accommodate increased checks). As a contingency, the council intends to retain Corry Place for another year, however as you will be aware these premises are already over capacity.
- vi. **Volumetric Data** - whilst we understand that work is underway to develop a deeper understanding of the volume and nature of goods being brought through the port, it is important that this is progressed as a matter of urgency - this is fundamentally important for planning and developing service delivery and resourcing models as well as ensuring the new build facility will be fit for purpose.

Given the importance of the matters outlined above, I believe it is important that we continue to engage on a frequent basis at a senior level to ensure urgent progress is made. Belfast City Council and local government remain committed and recognise the need to ensure that goods move smoothly through the Belfast Port in a safe and managed way and that our local business community and economy is supported.

Yours sincerely,



**Suzanne Wylie**

Chief Executive  
Belfast City Council

Our Ref: TC/tg/LK

17 September 2020

By Email Only: [sm.oneill@ulster.ac.uk](mailto:sm.oneill@ulster.ac.uk)

Professor Siobhan O'Neill  
Interim Mental Health Champion Northern Ireland

Dear Professor O'Neill,

**Re: Local Government Mental Health & Wellbeing Strategy and Action Plan**

I have the immense privilege of chairing, on behalf of SOLACE, the Local Government Health and Wellbeing Group, which is supported by the Local Government Staff Commission.

On 10 September 2020 we were delighted to launched the Local Government Mental Health & Wellbeing Strategy and Action Plan and I was delighted to see your support of this work on social media.

The event showcased some of the excellent work ongoing within our sector, and also demonstrated how our new strategy builds on those efforts of the Group, our colleagues in the Housing Executive and our partners right across the public sector in Northern Ireland.

Some of the positive work includes the promotion of the 'ASK' brand across Councils and NIHE. The ASK brand is something that is key to our strategy and important in raising awareness of this crucial work so that staff feel Accepted and Supported, and that we can build Knowledge in our sector for mental health and wellbeing.

We have also promoted the use of the Here2Help App by individuals in Councils, NIHE and other stakeholders. The app is a very simple but powerful tool in times of crisis as it provides an immediate source of help and support for those in need, as well as care providers, immediately linking them to a wide network of support channels for suicide and mental health interventions.

Please reply to:

■ **Head Office**  
The Braid  
1-29 Bridge Street  
Ballymena BT43 5EJ

X **Ballymena Office**  
Ardeevin  
80 Galgorm Road  
Ballymena BT42 1AB

□ **Carrickfergus Office**  
Museum & Civic Centre  
11 Antrim Street  
Carrickfergus BT38 7DG

□ **Larne Office**  
Smiley Buildings  
Victoria Road  
Larne BT40 1RU

□ **Planning Office**  
County Hall  
182 Galgorm Road  
Ballymena BT42 1QL

Chief Executive  
**Anne Donaghy**

Tel: 0300 1245 000

[www.midandeantrim.gov.uk](http://www.midandeantrim.gov.uk)

I have attached a copy of Local Government Mental Health & Wellbeing Strategy and Action Plan, which outlines the wider work being carried out by the group and the action plan for the next 3 years. We acknowledge that we still have a lot of hard work ahead of us in order to deliver mental health support services that meet the needs of our people however feel this a great start in the right direction.

I trust in your role as champion you will look on this favourably as together we can work to enhance the mental health in all aspects of public life here in Northern Ireland.

I am very passionate advocate for mental health and wellbeing and I would welcome the opportunity to engage in your work going forward.

Yours sincerely



**Anne Donaghy**  
**Clerk & Chief Executive**

Enc

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Chief Executive  
**Anne Donaghy**

**From:** on behalf of Anne Donaghy  
**Sent:** 27 March 2020 15:03  
**To:** 'Anthony tohill@midulstercouncil. org'; 'david. burns@lisburncastlereagh. gov. uk';  
'Jacqui. dixon@antrimandnewtownabbey. gov. uk'; 'John Kelpie@derrystarbane. com';  
'Roger. wilson@armaghbanbridgecraigavon. gov. uk'; 'wylies@belfastcity gov. uk';  
Alison McCullagh; David Jackson; Marie Ward; Reid, Stephen  
**Cc:** Ciara Toner  
**Subject:** Letters to DfC & NIAO re Performance Improvement Audit  
**Attachments:** NIAO - Performance Improvement Audit.pdf; DfC - Performance Improvement  
Audit.pdf  
  
**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Dear Colleague

Please see letters that I have prepared to go to both DfC and NIAO in my role as Chair of the Local Government Performance Improvement Working Group.

I trust you agree.

Kind regards

Anne

Our Ref: AD/LK

27 March 2020

By Email Only: [Pamela.McCreedy@niauditoffice.gov.uk](mailto:Pamela.McCreedy@niauditoffice.gov.uk)

Pamela McCreedy  
Northern Ireland Audit Office  
106 University Street  
Belfast  
BT7 1EU

Dear Pamela

**RE: Performance Improvement Audit**

I am writing to you as Chair of the Local Government Performance Improvement Working Group.

As you are aware, the current COVID-19 crisis has caused largescale disruption across the country. In particular, local government are under immense pressure to continue to deliver vital services to residents while functioning with significantly reduced workforces and at the same time ensuring the safety of those staff that continue to deliver on the ground in this emergency situation.

I would like to raise a number of issues that require consideration over the coming months.

Firstly, I have written to the Department for Communities to request that they give consideration to the statutory deadlines that are set out within the Local Government (Northern Ireland) Act 2014 and the guidance issued by the Department for Communities in relation to Performance Improvement. The deadlines that require consideration are those for the publication of Councils' Performance Improvement Plans and Performance Self-Assessment reports, currently 30 June and 30 September respectively.

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Chief Executive  
Anne Donaghy

An extension to both of these dates will give time for each Council to return to a more normal level of functionality and mitigate adding any additional pressure to an already over-stretched workforce.

Furthermore, I understand that the current situation will impact on the annual performance audits carried out by the Northern Ireland Audit Office over the summer period. Consideration also needs to be given to the impact on achieving the statutory publication date of 30 November for final audit reports.

Currently Councils are reviewing their internal performance related processes to meet the current demands. This may mean that existing deadlines for planning and monitoring performance are no longer feasible and will be amended accordingly.

Finally, in light of the current emergency situation that we find ourselves operating in, the Performance Improvement Working Group (PIWG) have had to postpone the recent planned meeting to agree a way forward with regards to benchmarking for the sector. Some progress has been made and a number of actions have been taken forward. However, it is unlikely that any additional arrangements regarding benchmarking will be agreed and implemented within the 2020/21 financial year.

As a working group, the PIWG are committed to agreeing a way forward that ultimately adds value to improving performance across the sector. Benchmarking will continue as in previous years and, once the crisis is over, we can focus on moving forward to find a longer-term solution.

I would ask for the Northern Ireland Audit Office's understanding and co-operation with regards to the matters raised within this letter.

I look forward to hearing your comments and indeed working with you on Performance Improvement matters in the future.

Yours sincerely



**Anne Donaghy**  
**Clerk & Chief Executive**

Please reply to:

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Chief Executive  
Anne Donaghy

Our Ref: AD/LK

27 March 2020

By Email Only: [Julie.Broadway@communities-ni.gov.uk](mailto:Julie.Broadway@communities-ni.gov.uk)

Julie Broadway  
Department for Communities  
Causeway Exchange  
1-7 Bedford Street  
Belfast  
BT2 7EG

Dear Julie

I am writing to you as Chair of the Local Government Performance Improvement Working Group.

As you are aware, the current COVID-19 crisis has caused largescale disruption across the country. In particular, local government are under immense pressure to continue to deliver vital services to residents while functioning with significantly reduced workforces and at the same time ensuring the safety of those staff that continue to deliver on the ground in this emergency situation.

I would like to request that you give consideration to the statutory deadlines that are set out within the Local Government (Northern Ireland) Act 2014 and the guidance issued by the Department for Communities in relation to Performance Improvement. The deadlines that require consideration are those for the publication of Councils' Performance Improvement Plans and Performance Self-Assessment reports, currently 30 June and 30 September respectively.

I would ask for the Departments understanding and co-operation in extending the publication dates this year for both the Performance Improvement Plans and the Performance Self-Assessment reports, by a period of at least 3 months.

An extension to both of these dates will give time for each Council to return to a more normal level of functionality and mitigate adding any additional pressure to an already over-stretched workforce.

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Anne Donaghy

Furthermore, I understand that the current situation will impact on the annual performance audits carried out by the Northern Ireland Audit Office over the summer period. Consideration also needs to be given to the impact on achieving the statutory publication date of 30 November for final audit reports.

I look forward to your response and indeed working with you on Performance Improvement matters in the future.

Yours sincerely



**Anne Donaghy**  
**Clerk & Chief Executive**

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Anne Donaghy

### Extract from Minutes from SOLACE NI Meeting – 8 January 2021

4.13	EU Brexit Update	
	<p>The Chair welcomed Siobhan Toland and Paul McMinn to the Meeting.</p> <p>Anne Donaghy described the challenges being addressed at our Ports.</p> <p>Siobhan Toland outlined the change of direction on Customs checks at Ports from 1 January 2021 following a late Trade Deal agreement between the EU and the UK.</p> <p>A number of concerns were noted including the need for finance to be confirmed to cover staff resource requirements.</p> <p>Paul McMinn referred to £2M funding, initially reserved to alleviate a no deal situation, which may now be available for other related expenses. Paul to contact DfC to confirm Local Government's interest in availing of this fund, subject to funding flexibility.</p>	PMcM

## **AGENDA ITEM 3.1**



**SOLACE NI**

**Friday 15 January 2021 @ 12.15 pm**

**In attendance:**

Chair: Jacqui Dixon, Antrim and Newtownabbey Borough Council  
Roger Wilson, Armagh, Banbridge & Craigavon Borough Council  
John Kelpie, Derry City & Strabane District Council  
Alison McCullagh, Fermanagh and Omagh District Council  
David Burns, Lisburn and Castlereagh Borough Council  
Anne Donaghy, Mid and East Antrim Borough Council  
Marie Ward, Newry, Mourne & Down District Council

**Also in Attendance:**

Siobhan Toland, Belfast City Council  
Paul McMinn, Local Government Resilience  
Louise Kennedy, Mid and East Antrim  
Clifford Todd, ANBC, Head of Environmental Health  
Liz Johnston, Head of Corporate Recovery, ANBC  
Denise Waddell, Solace Policy Officer

## **ACTION**

1.0	APOLOGIES	ACTION BY
	Stephen Reid, Ards and North Down Borough Council Suzanne Wylie, Belfast City Council David Jackson, Causeway Coast and Glens Borough Council Adrian McCreesh, Mid Ulster District Council	
2	<b>Brexit Issues</b>	
	Anne Donaghy outlined the current issues and concerns regarding NI EU Exit as follows: <ul style="list-style-type: none"><li>• Governance issues needs to be confirmed and impact on Local Government, including Council accountability (assumed to be through FSA)</li><li>• Funding from HM Treasury due to end March 2022 after which Council may potentially be responsible for funding via tariffs and charges to recoup staffing costs etc. Request for funding from Treasury to be extended and long-term funding source established.</li></ul>	

	<ul style="list-style-type: none"> <li>• Under EU Regulations inspecting authority has a duty to charge – challenging politically and for businesses</li> <li>• Clarification required on type of inspections to be carried out by Environmental Health Officers (documentation/physical inspections)</li> <li>• Need for re-assessment of staff resource requirements – taking account of current volume of hauliers travelling from Dublin/Cork to GB via Northern Ireland</li> <li>• Current pressure on hauliers – costs, port delays, additional documentation, multi customer groupage queries</li> <li>• IT system challenges – no integration between Irish/NI systems, system crashes etc</li> <li>• Retail supply issues</li> </ul> <p>Agreed that:</p> <ul style="list-style-type: none"> <li>• To ensure local government engagement, Anne Donaghy to join the DAERA, Task and Finish Group which will look at options for charging</li> <li>• Legal opinion be sought through John Walsh, BCC on Governance issues and local government position - Clifford Todd/Siobhan Toland to draft points for legal team to consider</li> <li>• Anne Donaghy lead discussion on Brexit issues at PSG/Solace Meeting on 19 January</li> <li>• Political engagement be addressed at PSG/Solace</li> </ul>	
	<b>ANY OTHER BUSINESS</b>	
	<b>Staff Issues</b>	
	Short discussion ensued on Staff issues and individual Council challenges.	
	There being no further business the Meeting concluded at 1:35 pm	

5. Very High	Consequence: Emergencies O SPS Inspections & Facilities at NI Points of Entry								5. Very High	Impact Likelihood
4. High	Reduced Income & Spending Reduced Capacity & Resources	Vulnerable Communities Future EU Programme Participation							4. High	
3. Medium	Data Adequacy								3. Medium	
2. Low									2. Low	
1. Very Low									1. Very Low	
Impact	Likelihood									

Key Indicator

- Increase in Score
- ◐ Decrease in Score
- Score remains
- ★ New Risk
- ☒ Risk Removed

Risk Categories

The Economy

Society & Vulnerable People  
Security

Risk 1 - Concurrent Emergencies			Inherent Risk		
Risk Category	Opportunity / Threat	Risk Description	Impact	Likelihood	Score
Operational / Reputational	Threat	Inability to respond to Command, Control & Coordination arrangements or concurrent emergencies due to increased strain on current resources resulting in impact on resilience.	4	5	20
Current Controls					
Control No.	Existing controls in place		Impact	Likelihood	Score
1	Annual review of emergency planning arrangements both internally and via the Emergency Preparedness Group .		3	4	12
2	Emergency Planning Implimentation Group for cross council development and capacity building.		3	3	9
3	Corporate & multi-agency training and exercising (including members).		3	3	9
5	Development of Councils emergency coordination centres with councils to facilitate both Council and multi-agency coordination functions.		3	2	6
6	Re - Establishment of the SOLACE NI Task & Finish Working Group to consider & quantify risks across all councils.		3	3	9
Additional Action Required					
Action No.	Action		Target Date	Milestone	Status
1	TEO Reasonable Worst Case Scenario Planning Assumptions (Dec 20) to be considered and incorporated into EU Exit Risk Register.		Jan 2021		Ongoing

Risk 2 - Reduced Income & Spending				Inherent Risk	
Risk Category	Opportunity / Threat	Risk Description	Impact	Likelihood	Score
Financial	Threat	A sustained downturn in the economy, with household & business budgets squeezed & increased demand on council services leading to strain on delivery & pressure on budgets.	4	5	20
Financial / Operational	Threat	Potential increase in costs for goods due to inflation / unfavourable exchange rates, leading to a reduction in budgets & a reduction &/or reprioritisation of service delivery.	3	4	12
Financial / Operation	Threat	Insufficient funding from regional/central government to cover additional burdens resulting from the end of the transition phase.	4	4	16
Current Controls					
Control No.	Existing controls in place				
1	Planning & preparation ongoing to enable a response to any enhanced demand. Centralise procurement exercises being considered where possible to take advantage of economies of scale. Pressures are being taken into account when developing the Estimates process.				
2	As far as possible, financial modelling is taking place to determine potential scenarios in order to factor into budget planning and the Estimates process.				
3	Programmes and other aid packages for businesses are being developed as a means of support. Councils are assisting in the search for new markets and are signposting support services for the development of new products/ markets/customers.				

5	Continue to work with businesses and the voluntary and community sectors to understand the pressures as they develop. Continuing to work with regional government to signpost issues being felt by the community and the early warning signs of financial strain on families.	3	4	12
6	Intelligence and evidence on the financial impact of EU Exit gathered through the LGLO and being escalated to regional government, particularly DfC via established reporting channels and SOLACE NI.	3	2	6
7	Capacity issues identified via council corporate and financial planning to be flagged to SOLACE NI & ALFGO for collation and to be passed through to regional Government	3	3	9
Additional Action Required				
Action No.	Additional Action Required	Target	Milestone	Status
1	Plan for and take action to mitigate potential impact on inward investment and council income.	March 2021		Ongoing
2	Conduct a modelling exercise to understand the level of the council's exposure and impact of changes to business rates income which could increase resilience in the face of any potential changes to the local government funding base resulting from potential downturn and/or EU Exit.	April 2021		Yet to Begin
3	Through SOLACE help shape the development of the UK Shared Prosperity Fund and other associated funds so that it is complimentary to local priorities.	April 2021		Ongoing

Risk 3 - Council Capacity & Resources					Inherent Risk	
Risk Category	Opportunity / Threat	Risk Description	Impact	Likelihood	Score	
Financial	Threat	Local authorities and businesses risk being unable to deal with EU Exit alongside the urgent demands of the second wave of Covid-19.	4	5	20	
Financial / Operational	Threat	Risk of critical staff falling ill or needing to isolate, along with resources having to be redirected to the pandemic response.	4	5	20	
Financial / Operation	Threat	The longer term financial risk on those areas with companies invested in agriculture, manufacturing and fisheries which will face continually higher risk and pressures.	4	4	16	
Current Controls						
Control No.	Existing controls in place			Impact	Likelihood	Score
1	Annual review of Emergency Plans and other fiscal planning measures.			3	4	12
2	Development of Economic Development programmes and plans to assist businesses into the longer term by dealing with the health & economic threats together.			3	3	9
3	Continue to work alongside relevant partner organisations in the private and public sector to plan, prepare for and respond to enhanced demand in line with local resources. Continue to make a strong case to government for investment in local businesses & services			3	3	9
Additional Action Required						
Action No.	Action		Target Date	Milestone	Status	
1	Develop financial modelling to determine areas of maximum impact and to assist the budget & Estimates process planning.		March 2021		Ongoing	
2	Through SOLACE, continue to seek additional funding from regional government, as well as helping to shape funding requirements at government level by feeding relevant data to departments.		April 2021		Yet to Begin	
3	Develop additional contingency plans to meet the treats as they continue to develop.		April 2021		Ongoing	

Risk 4 - Vulnerable Communities						
Risk Category		Opportunity / Threat	Risk Description	Impact	Likelihood	Score
Financial / Operational	Threat		An impact on all equalities groups disproportionately represented in the low-income bracket who rely more on council & public services and benefits and have less disposable income becoming more reliant on council service	3	3	9
Financial / Operational	Threat		Potential reduction in funding of existing programmes due to reallocation of resources as a result of Covid as well as inability to access EU and other related funds.	3	3	9
Financial / Operation	Threat		Potential call on already stretched council resources by DfC & other regional government bodies in their efforts to assist vulnerable communities over 2021/22	3	3	9
Current Controls						
Control No.	Existing controls in place			Impact	Likelihood	Score
1	Continue to develop database on the most vulnerable communities across local government districts so that needs can be identified, understood, reported on and plans put in place to meet targeted needs when required.			2	3	6
2	Continue to lobby for additional funding on an evidence basis, arising from local knowledge and data sets.			2	3	6
4	Further the development & assessment of the likely reduction in funding and continue to plan for services to vulnerable communities on the basis of affordability, in conjunction with partner organisations.			3	3	9
5	Continue to work with regional government departments and bodies to develop resource plans and maps so that capacities and capabilities are understood across sectors prior to the development of any delivery plans.			3	4	12
6	Continue to equally screen new and developing policies as they emerge to ensure the most vulnerable communities and groups are properly & adequately considered.			2	3	6
Additional Action Required						
Action						
Action No.	Action			Target Date	Milestone	Status
1	Develop EU Exit/Covid vulnerability index to identify areas of NI that are expected to be most vulnerable to the consequences of Brexit & Covid to understand what drives those risks to support local authorities and other organisations in understanding local EU Exit & Covid risks .			March 2021		Ongoing
2	Consider cost sharing and other saving initiatives in partnership across councils and other relevant bodies.			April 2021		Yet to Begin
3	Develop innovative new ways of delivering services to free up resources to meet need, based on demand.			April 2021		Ongoing

Risk 5 - Future EU Programme Participation						Inherent Risk
Risk Category	Opportunity / Threat	Risk Description	Impact	Likelihood	Score	
Financial	Threat	Risk of complexities in accessing EU funding after current spending round ends, as a result of UK divergence from relevant EU rules and regulations.	3	3	9	
Financial / Operational	Threat	UK Sovereign and Prosperity funds are not operational or otherwise unavailable in time for need.	3	3	9	
Financial / Operation	Threat	UK substitute funding programmes are not fully understood, with significant barriers to entry and/or are not sufficiently targeted at councils needs.	3	3	9	
Current Controls						
Control No.	Existing controls in place			Impact	Likelihood	Score
1	Financial modelling is taking place to determine potential funding losses and additional funding opportunities, in order to factor into long range budget planning and the ongoing Estimates process.			3	3	9
2	Ongoing enegagement with regional government to ascertain Information as to the make up and eligibility requirements of the proposed UK Sovereignty and Prosperity Funds being sought, skill sets for accessing funds being evaluated.			3	3	9
3	Establishing total level of exposure to EU funding until 2022, including potential match funding.			3	3	9
5	Continue to review programme monitoring & grant claim submissions.			3	3	9
Additional Action Required						
Action No.	Action	Target	Milestone	Target Risk	Status	
1	Maintain liasion & seek funding criterion through UK Sovereignty/Prosperity funds.	March 2021			Ongoing	
2	Seek out other funding sources and opportunities via partner organisations such as DAERA, TEO etc.	April 2021			Yet to Begin	
3	Review Local Government funding structure to account for new operating environment.	April 2021			Ongoing	

Risk 6 - Data Adequacy						
Opportunity / Threat		Risk Description	Inherent Risk			
Risk Category			Impact	Likelihood	Score	
Operational	Threat	Personal Data is unable to flow freely from the EU (and EEA) to the UK. Any transfer of personal data from the EU to the UK, could be affected. Establishing and managing alternative data sharing mechanisms could be burdensome and delay delivery.	4	5	20	
Operational	Threat	Councils may be unable to receive critical information and updates from the EU, such as early software virus warnings via data-sharing platforms and alert systems, to which the UK may retain access as a third country.	3	4	12	
Current Controls						
Residual Risk						
Control No.	Existing controls in place		Impact	Likelihood	Score	
1	As far as possible software agreements have been concluded with providers to transfer agreements to UK subsidiaries and partner organisations.		3	3	9	
2	Council Data Protection Officer and Working Groups continue to prepare by working toward adequate agreements.		3	3	9	
3	the Treaty agreed with the EU on 24th December 2020, allows personal data to flow freely from the EU (and EEA) to the UK, until adequacy decisions have been adopted, for no more than six months.		3	2	6	
Additional Action Required						
Target Risk						
Action No.	Action	Target Date	Milestone	Status		
1	Data transfers – Personal data flows from the EU/EEA to be identified. Alternative transfer mechanisms to be explored to allow these data flows to continue in a ‘no adequacy’ scenario	June 2021		Ongoing		
2	Data storage – Identify where council data is stored by EEA-based processors (e.g. cloud storage providers in the EU). Gain written assurances that data will continue to flow back to the UK in a no adequacy scenario.	June 2021		Yet to Begin		

3	Data audit – Audit all council personal datasets, ensuring information is up to date and relevant metadata is held, including geographical origin of the data and the legal basis for transfer. To enable compliance with data provisions set out in the Withdrawal Agreement, where EU GDPR may continue to apply to some of council datasets.	May 2021	Ongoing
4	Data protection – Ensure compliant with UK GDPR. (UK GDPR will sit alongside an amended version of the Data Protection Act 2018).	May 2021	Ongoing
5	Build an awareness of any potential for the UK to enact domestic legislation that will diverge from EU regulations in order to prepare for potential consequential disruption.	June 2021	Yet to begin

Risk 7 - SPS Inspections & Facilities at NI POE					Inherent Risk
Risk Category	Opportunity / Threat	Risk Description	Impact	Likelihood	Score
Operational	Threat	Facilities continue to be provided on a contingency basis with consequent reduction in efficiency in both Officers and equipment over time.	5	4	20
Financial / Operational	Threat	Council/FSA/DAERA ICT remain separate, with no access by either party to the others data & records, resulting in a slow down in the documentation and certification processes, leading to delays in the supply chain	5	4	20
Financial / Operation	Threat	Council ICT support unavailable on a 24 hour basis, leading to vulnerabilities & delays should systems go down outside IT helpline hours.	4	4	16
Current Controls					
Control No.	Existing controls in place	Impact	Likelihood	Score	
1	Ongoing discussions with DAERA project team & FSA colleagues to develop permanent solutions within a fixed timescale that provide all necessary support for all parties in a sustainable way.	4	4	16	
2	Training in place for council officers to build resilience and to develop skill sets to ensure workflows remain, as far as possible, uninterrupted.	4	3	12	
3	The feedback of issues to departments and regional government is continuing, along with recommendations aimed at reducing/eliminating operational issues.	4	3	12	
Additional Action Required					
Action No.	Additional Action Required	Target	Milestone	Status	
1	Develop sufficient ICT back up for council systems that is in place during full operating hours.	May 2021		Ongoing	
2	consider long range HR planning for council POE teams to ensure issues are picked up at an early stage and addressed where appropriate.	October 2021		Yet to Begin	

Risk 8 - Council Capacity & Resources				Inherent Risk	
Risk Category	Opportunity / Threat	Risk Description	Impact	Likelihood	Score
Operational	Threat	Increased pressure on Environmental Health and other enforcement resources due to significant increases in business & changes to UK/NI/EU trading arrangements, leading to unsustainable pressures on staff, many of whom are inexperienced and may be lacking in personal support systems.	4	5	20
Operational	Threat	The separation of enforcement regimes, the need for checks & pressures such as illegal movement of goods, pollution events, as well as potential delays to legal redress are likely to lead to disruption to established enforcement regimes and consequent additional pressures on staff.	4	5	20
Current Controls					
Control No.	Existing controls in place		Impact	Likelihood	Score
1	Ongoing meetings on a regular basis underway with DAERA & NIEA with regular information sharing across interested sub groups and parties to enable resource planning and allow for staff easements over time.		4	4	16
2	Developing an awareness of the position of EHS and other enforcement teams within council HRM sections, to allow close monitoring and development of resilience across affected personnel.		4	4	16
3	Continue to expand our understanding the workings of the NI Protocol, the proceedings of the committee and the outworkings of the regulations to develop working relations with DAERA colleagues to ensure smooth working relationships are maintained.		3	3	9
5	Continue to attend meetings with NICS, C3 & Border Protocol Delivery Group, to ensure local government needs are considered and form part of future work and contingency planning.		3	3	9
Additional Action Required				Target Risk	

Action No.	Action	Target	Milestone	Status
1	Develop HR Contingency and training plans to assist new and inexperienced staff become more comfortable with changing roles.	March 2021		Ongoing
2	Clarification to be sought from DAERA & FSA on resource modelling and possible implications for Local Government (including potential future funding and the development of new working arrangements).	April 2021		Yet to Begin
3	Develop an analysis of resource implications for councils in respect of East/West barriers over the next two years. Work with NICS Colleagues in DAERA & FSA to be ready for changes once these become clear.	September 2021		Ongoing

### SOLACE NI Meeting: 08<sup>th</sup> & 15<sup>th</sup> January 2021. Update on EU Exit and Issues

AD: Issues emerging are “serious and complex and will take time to resolve”. The situation “is not helped by a reluctance across NICS and particularly DAERA and FSA (NI) to engage”.

DAERA & FSA (NI) in particular “are getting caught up in who pays for what - they have not engaged at all on developing governance issues”.

“I have serious concerns regarding Local Government’s role in implementing the NI protocol”....We [Local Government] will be left to deal with a difficult, if not impossible situation should all stakeholders not engage fully and constructively”.

Possible solution could be to widen out the conversations both with NI but also with OGD’s, including Whitehall/Westminster?

Discussion & reasons why this is necessary:-

1. Distinct lack of information and engagement from NICS and other stakeholder groups. This should be reported as a means of bringing some pressure to bear on them to assist Local Government in a more strategic manner.
2. “Risk of reputational damage if Local Government attempts to deal with all the issues in isolation”. Very high probability of failure due to “lack of resources, scope, reach and expertise”. It would be helpful if, in case of need in the future, “we could point to at least one occasion where SOLACE NI reported its concerns nationally. SOLACE is after all a national body”.
3. “Significant additional costs that cannot accurately be estimated or forecast will ensue. Local Government as a whole will struggle with this, let alone the three port councils”. Again National government may need to be more aware than they may be at present.
4. Due to lack of meaningful engagement by DAERA, FSA (NI) etc. it is at least likely “that some of the issues we require urgent assistance with are not fully understood at the national level”. It would be useful assurance if they were informed. Any assistance they can give SOLACE will be useful.
5. Agree with Suzanne’s point that this could well be the most important and difficult issue SOLACE has ever dealt with. SOLACE require as much assistance in dealing with it as is possible to get.

Agreed:-

1. AD to keep examining and reporting on the issues via SOLACE & the EU Exit T&F Working Group. Emerging issues in particular to be captured and reported as soon as they are confirmed.
2. Set out the issues as they are understood from SOLACE viewpoint. Important that a true picture as things are at present, is provided. Protocol is having to evolve as issues emerge.

3. AD to consider where/who best to engage with at national level. Whitehall or home Government Departments to be considered.
4. AD and EU Exit T&F Working Group to continue to consider the issues around charging and governance in particular. Efforts to engage with NICS to continue. Any other issues thought important by AD may be brought to the Group for onward reporting.

AD: "It is important to remember, this is all very new territory. There is no road map or manual to assist". Much of the work and many of the decisions that have to be made, "are having to be done on the hoof. This is a very, very fast moving situation and there are very few resources available to help". What may be the right decision today, may turn out to be the wrong one tomorrow.

NICS are much better resourced and they are struggling with all of this too, "but there is a fundamental need to spread the risk across all stakeholders in a fair and equitable manner - that is not the case at present".

Chair: AD to continue fleshing out the issues and widening the discussions. Must do what she feels is best under the rapidly evolving circumstances.

AD to report to SOLACE at any time. Chair recognises importance of the issues and will call a meeting at any stage if required.

Item 6. Minute Extract from PSG Meeting held on 19 January 2021

EU Exit - the end of the Transition Period

The Chair referred to a Special meeting of Solace held on Friday 15 January 2021 to discuss concerns regarding the EU Exit.

Anne Donaghy as Chair of the Brexit Task and Finish Group outlined the following concerns:

- Governance - clarity required regarding Councils accountability through FSA or DAERA
- Clarification sought in relation to the type of inspection (documentation and physical checks) and percentage requirement from Environmental Health Officers
- Charging - official control regulations require the inspecting authority to levy a charge which was not discussed as part of the NI Protocol
- A Charging Group has been set up to look at options with the expectation that Councils will implement charges - Councils will find this expectation challenging both politically and administratively
- Current funding from HM Treasury will potentially end in March 2022 - as this funding reimburses for the provision of additional Environmental Health Officers employed to work at Border controls it has been suggested this will be covered through implementation of charges
- Resourcing - Volumetric model used to identify the resource requirement was flawed and reassessment was necessary

Paul Donnelly, DAERA acknowledged that some problems had been anticipated and undertook to arrange a meeting with Denis McMahon and DAERA officials to consider highlighted concerns.

Mike Brennan, DfE gave an update on operational issues which, although improving, continued to present challenges. He referred to finding the best way to exploit opportunities and address issues with the NI Protocol through the Joint Committee. Political issues remain a concern.

**ACTION: DAERA**



Ref: TC/ab

8 March 2021

By Email Only: [denis.mcmahon@daera-ni.gov.uk](mailto:denis.mcmahon@daera-ni.gov.uk)

Dr Denis McMahon  
Permanent Secretary and Departmental Accounting Officer  
Department for Agriculture, Environment & Rural Affairs

Dear Denis

**Re: Continuing Difficulties Facing Port Councils in Fulfilling their Obligations under the Northern Ireland Protocol**

I write to you on behalf of the three Council Chief Executives, who have the three main ports for Northern Ireland, and also as Chair of the SOLACE EU Task and Finish Working Group, to impress on you, as the head of the central competent authority, our concerns as to the strategic and operational difficulties that we are facing in fulfilling our obligations under the Northern Ireland Protocol.

With the UK's announcement to extend the grace period, this would seem an ideal time to engage more closely with your department in order to develop and agree the provisions required to facilitate the Northern Ireland Protocol at the ports.

We have set out below the issues that we feel should be addressed as soon as possible and can provide additional detail, should this be required:-

### **1. Governance Arrangements**

We are as yet unclear as to the governance arrangements for the Protocol, and what our Council's responsibilities and accountabilities are to be. Issues including developing a work plan, accountability framework and ensuring clarity in relation to border control duties, such as charging, all require consideration.

### **2. Financing Arrangements**

We have some concerns in respect of financing of Council port health staff at the Border Inspection Posts. At present, we only have assurance of funding for these staff until March 2022, with no indication of funding beyond this.

Please reply to:

■ **Head Office**  
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Ballymena BT43 5EJ

Tel: 0300 1245 000

□ **Ballymena Office**  
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□ **Carrickfergus Office**  
Museum & Civic Centre  
11 Antrim Street  
Carrickfergus BT38 7DG

□ **Larne Office**  
Smiley Buildings  
Victoria Road  
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□ **Planning Office**  
Silverwood Business Park  
190 Raceview Road  
Ballymena  
BT42 4HZ

Chief Executive  
**Anne Donaghy OBE**

### 3. Staffing Issues at Ports

Our data would suggest that staffing levels at the ports are well below the number that will be required when the grace period ends. The recent changes to the type, volume and time allowed to undertake our duties, all suggest that this is an area that demands more scrutiny than previously undertaken.

We join in asking you to use the time granted by the UK's announcement to extend the grace period to work with us to ensure the ports are as prepared as possible to meet the increase in demand and workload that will follow the end of the current easements.

Yours sincerely



**Anne Donaghy OBE**  
**Clerk & Chief Executive**

CC Suzanne Wylie, Marie Ward, Maria Jennings, Paul McMinn

Please reply to:

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The Braid  
1-29 Bridge Street  
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Chief Executive  
**Anne Donaghy OBE**

**From the Permanent Secretary**  
Dr Denis McMahon



Department of  
**Agriculture, Environment  
and Rural Affairs**

[www.daera-ni.gov.uk](http://www.daera-ni.gov.uk)

**Our reference:**

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12 March 2021

Dear Anne, Suzanne, Marie

**CONTINUING DIFFICULTIES FACING PORT COUNCILS IN FULFILLING THEIR  
OBLIGATIONS UNDER THE NORTHERN IRELAND PROTOCOL**

Thank you for your most recent correspondence in respect of the difficulties facing your respective Councils in fulfilling your obligations under the Northern Ireland Protocol. As you know, we work closely with our Local Government colleagues across a range of areas and we are very happy to do so. We very much welcome this approach in almost all circumstances where it improves outcomes for the people who rely on our services. In relation to the Sanitary and Phytosanitary (SPS) requirements, our respective organisations have always worked together at an operational level, and I would like to put on record my gratitude to your respective teams for continuing to work in this way following the end of the Transition Period.

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Relay Service by dialling 18001 + telephone number.



**INVESTORS  
IN PEOPLE**

As your letter notes the continuing difficulties relate to the statutory duties placed on your Councils and which you need to fulfil. Since each Council is a separate organisation with its own statutory responsibilities, it would not be appropriate for DAERA to comment on how those responsibilities should be met. (DAERA officials are not aware of a duty which would require the Department to intervene with the Councils in relation to how they meet their respective requirements under the Northern Ireland Protocol.) Likewise, DAERA's role with regard to SPS is focused on meeting its own legal and statutory responsibilities, working to the Minister for Agriculture, Environment and Rural Affairs and the Northern Ireland Executive.

Your most recent correspondence refers to DAERA as the "central competent authority". It is not clear what this means since there are in fact two central competent authorities in relation to SPS which have separate spheres of responsibility in relation to SPS; namely: DAERA and the Food Standards Agency. Of the two, the FSA holds central government policy responsibility for the aspects of SPS import controls—that are enforced by District Councils, and to date, the Department of Finance has resourced the Councils' SPS checks via a pre-existing arrangement with the FSA. I understand from discussions with Maria Jennings that you are in regular meetings with the FSA on the way forward. This is clearly the most appropriate governance arrangement for the Councils and it should continue.

DAERA is always happy to work with the Councils on a range of issues, and it is important to apply good governance. I am therefore concerned by any apparent misconception that DAERA has any responsibility for the Councils' statutory duties and would not want to do anything that could perpetuate this misconception. Under these circumstances, a meeting to discuss SPS issues would not be appropriate or helpful. I am, of course, happy for normal partnership working to continue at an operational level and wish you well in your further discussions with the FSA. I would also be happy to reconsider this position in the event of further correspondence from you collectively which addresses the points made in this letter.

In the meantime, I hope you find this clarification helpful.

Yours sincerely



**DR DENIS McMAHON**  
**DAERA Permanent Secretary**

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## Appendix 10

### Transcript of a hand written note of a telephone conversation between the LGLO and Ms Donaghy on 28th January

“AD - Me Telecon: Need to do more re: widening the discussion, push on as LG [Local Government] vulnerable. Feeling responsible and not fail. Advice from local MP's & others as to who to write to raise issues right level:

Cabinet Office - as issue is not devolved matter. Threfall? (check). Command paper has not resolved this [unclear] and [unclear] and need to make decisions but need all the right information to take this forward. Key point is matter is not devolved - need to push concerns to Whitehall in this case!! Me to gather SOLACE issues. AD will use MEA practical issues/examples”.

There is a further line further down the page which reads: “ Reserved matter - not poss[sic] to deal with locally. Matter has to be dealt with at Whitehall.”