

Committee(s) Port Health & Environmental Services – For information	Date(s): 5 March 2019
Subject: Update on the impact of the UK leaving the EU (Brexit) on Port Health & Public Protection	Public
Report of: Interim Director of Consumer Protection and Markets Operations	For Information
Report author: Interim Director of Consumer Protection and Markets Operations	

Summary

This report outlines the current position relating to Brexit, and the representations made by PH&PP in line with the key principles previously agreed by your Committee for negotiation with Government and relevant agencies.

There is ongoing discussion and engagement with a number of the PHPP's key stakeholders as previously identified, and plans are in place to continue to work with them, share respective understanding of the impacts that a no deal Brexit will have on our organisations and how we may work together to mitigate where possible those adverse impacts.

Considerable efforts are continuing to be made and have been stepped up to prepare for a no deal outcome by senior managers in the PHPP Division. This covers internal arrangements for example, resources assessment and planning for future service delivery, and to that end a successful bid for additional resource capacity and capability for the Port Health Service has been made to the Food Standards Agency.

Through the support from the Office of the City Remembrancer, a number of key Parliamentarians, Chairs of relevant Parliamentary Committees and local MPs have been made aware of the concerns and risks from the impacts of Brexit, particularly in the case of a no deal outcome and this will continue. Discussions are also taking place with government officials, where the PH&PP is represented on a number of important government and local government led meetings and forums.

Recommendation(s)

Members are asked to:

- Note the report

Main Report

Background

1. Following the outcome of the referendum held in June 2016 in which the UK voted to leave the European Union, on 29 March 2017 the UK triggered Article 50 of the Treaty of Lisbon. This gave formal notice of withdrawal from the EU, which is due to take place on 29 March 2019. MPs held a series of votes in Parliament on 29 January on potential next steps for the UK's negotiations with the EU. Most amendments - including a bid to delay Brexit to prevent a no-deal departure - were defeated. However, MPs did back a (non-binding) amendment for the government to rule out a no-deal Brexit. MPs also backed a Government-supported amendment which called for the Northern Ireland backstop clause to be replaced with "alternative" arrangements. At the time of writing, the Prime Minister confirmed in a statement made on 12 February that if there was no successful meaningful vote in the House of Commons to support a deal by 26 February, MPs would again be able to suggest alternatives, including, for example, delaying Brexit or holding another referendum through votes on an amendable motion on 27 February.
2. The key principles previously agreed by this Committee, that have formed the basis of negotiations with the government and its agencies remain valid and relevant. However, as the deadline for 29 March 2019 gets ever closer, i.e. the date for the UK leaving the EU, the likelihood of a no deal outcome becomes greater and the risks to service delivery, integrity and efficiency, particularly in regard to the Port Health Service increase further.
3. Brexit is on the Departmental Risk Register and more recently has been classified as Corporate Risk. The latter includes the 'impact of Brexit on the movement of goods through the Port Health Authority/functions'.
4. Since the UK voted to exit the EU PH&PP officers have engaged closely with Government and its agencies as well as with other interested organisations. Further details of the most recent meetings are provided below.

Current Position

5. At the time of writing this report the draft Withdrawal Agreement for the UK's exit from EU has only been put to a vote once in the House of Commons – it was rejected by MPs on 15 January 2019. The outcome of votes in the House of Commons on the Government's 'next steps' which took place on 29 January 2019, form the basis of the changes the Prime Minister is currently seeking in further negotiations with the EU on the Withdrawal Agreement.
6. Presently, there is an increased risk of a no deal outcome. Government Departments have however, been planning for some months for such an outcome and have issued a series of Technical Notices, with a small number of these relevant to Port Health and Public Protection (PH&PP), particularly in relation to port health responsibilities. Officers from the PH&PP Division are closely scrutinising these and are in regular contact and dialogue with the

relevant Government officials to feedback information being asked of them and preparing as best they can to mitigate against foreseeable impacts from such an outcome.

Port Health – recent meetings/visits etc,

7. **Stakeholder engagement, meetings, discussions** – further discussions are planned or ongoing with key stakeholder organisations including the Local Government Association, the Chartered Trading Standards Institute, London Councils, the Association of Port Health Authorities, Which?, the International Meat Traders Association and the British Veterinary Association. This relates to PH&PP specific roles, responsibilities and shared understanding in relation to Brexit and where there is mutual benefit, work together and/or support City Corporations respective principles and aims.

Parliamentary Engagement

8. The Chair of the Policy Committee and the Chairman of your Committee sent a joint letter to key MPs outlining the City Corporations concerns in relation to 'no deal' focussing on issues previously reported to your Committee in connection to Port Health and Animal Health.

Joint CPR/Jeremy Simons letters have been sent to the following Select Committee chairs: -

- EFRA (Neil Parish)
- International Trade (Angus MacNeil)
- Brexit (Hilary Benn)
- Home Office (Yvette Cooper)
- Lords EU Energy and Environment (Lord Teverson)

And the following constituency MPs:-

- Jackie Doyle-Price (Tilbury)
 - Kelly Tolhurst (Thamesport)
 - Gordon Henderson (Sheerness)
 - Stephen Metcalfe (London Gateway)
9. A subsequent meeting has been arranged for the Policy Chair to meet with Lord Teverson on 5th March, and arrangements for meetings with Angus MacNeil and Yvette Cooper are underway.
 10. A briefing was provided to Labour's Shadow EFRA Spokesperson Baroness Jones for a Parliamentary Question on the no-deal risks in relation to transit goods. The City Corporation's concerns vis a vis this matter was highlighted during the short debate between Government Minister Lord Gardiner and his Shadow counterpart.
 11. The Government has now published its response to the Lords EU Energy and Environment Sub-Committee inquiry into Brexit and Biosecurity to which

PH&DD contributed and a briefing note has been prepared in response, a copy of which is at Appendix 1.

12. If further legislative intervention is required, the Parliamentary Team have concluded that the Environment Bill which has yet to be fully published would be the most obvious vehicle.
13. The Interim Director of Consumer Protection and Markets Operations (DCP) has attended the weekly meeting of the **Corporation's Brexit Planning Group** and updated the Group on the Division's continued engagement with government departments and the port health industry in relation to its port health and Animal Reception Centre operations and updated the Group's Action Tracker and corporate departmental Brexit risk register.
14. The Assistant Director, (Port Health) attends meetings and receives weekly updates from **HM Government's Border Delivery Group** (BDG) – which is a cross-government team led by HMRC and focuses on the operational and practical impacts of Brexit on UK borders. The updates are provided to ensure stakeholders are kept up-to-date and bring all EU Exit information together in one place. These in turn are shared on an ongoing basis with the relevant City of London Corporation stakeholders and networks. Additional information in the form of a Partnership Pack, leaflets, videos and industry days have also been provided by the BDG to its stakeholders.
15. The Assistant Director, (Animal Health) also attends meetings and receives updates from Defra led groups on the implementation of new software, import policy decisions and stakeholder engagement. The new software is intended to replace the current EU TRACES system. The AD also attends meetings led by Heathrow Airport Limited, with Defra, HMRC and Border Force on contingency planning and resilience of our operations.
16. **London Resilience Forum – a London Food and Brexit Round Table** as part of London Resilience was held on 29th November and attended by the IDCPMO which covered the short-term implications of a no deal Brexit on food supplies and implications of Brexit on food safety, regulations and legislation both in the short and long term and mitigation options.
17. **Chartered Institute of Environmental Health Conference held in London 30th January 2019.** The Assistant Director, (Port Health), gave a presentation as part of a panel of experts to over 130 delegates outlining the challenges to the London Port Health Authority (LPHA) if there is a no deal outcome, highlighting the likelihood of an increase in EU imported food and feed, including food and feed transiting through the EU to the UK from third countries. In addition, the mitigation measures proposed to minimise disruption to trade and food supplies coming through the London shipping ports were outlined.
18. At the same event the DCP gave a presentation on the wide range of measures being undertaken by the City of London Corporation to tackle air pollution in the square mile including its Air Quality Management Strategy, Low Emission Neighbourhoods, and the partnership with Sir John Cass

Foundation Primary School, Aldgate, to monitor and ultimately improve the air quality around the school.

19. **Regulatory Landscape of Post-Brexit Britain conference** – PH&PP are supporting Queen Mary University of London in the delivery of a conference, at the Mile End campus, which will consider the possible and feasible regulatory scenarios that the country will have after Brexit, emphasising the potential and desirable legal instruments to give certainty to business and regulators in relevant key areas.
20. **Government Technical Notices** – there have been a number of further Technical notices issued by the Government that whilst primarily aimed at the business community are important and relevant to the PH&PP Division. PH&PP Officers are scrutinising these and continue to ensure that where practicable necessary actions and measures are considered and where appropriate put in place to assist the Corporation's regulatory services in its planning for a no deal outcome.
21. **Official Veterinarians (OVs)** - The UK Government has developed the EU Settled Status scheme, which allows EU nationals currently residing in the UK to apply for settled status after Brexit. The scheme is currently being piloted but is not expected to be fully operational until March 2019. The Prime Minister has given a further commitment to EU citizens living in the UK that in the event of a no deal outcome their rights will be protected. However, there is still a lack of clarity in the form of a technical notice spelling out how EU citizens' rights will be safeguarded in a no deal Brexit outcome. This clearly has an impact on the OVs working for the London Port Health Authority and senior managers are keeping all staff fully informed on developments in this area.
22. The LPHA, at the request of the government has been testing its new Import Notification System (INS) to replace TRACES (Trade Control and Expert System). The INS system, now called IPAFFS (Imports of Products, Animals, Food and Feed System) is progressing but even if it works, it will not have full functionality. If there is a need to go back to a 'manual' system, it will increase bureaucracy and also breaks the link with the HMRC system adding delays to the process, further compounding pressure on the services' resources. Consequently, this is now a Departmental Red Risk.

Financial Implications

23. The City Corporation has created a Brexit contingency fund of £2M in 2018/19 with provision to carry forward any unspent funds into 2019/20 to support the organisation in engagement activities in the lead up to and post exit from the EU. If necessary, the PH&PP Division will submit a bid for funding. However, before doing so, it will continue to explore all other avenues of external funding, as it has with the recent successful financial bid to the Food Standards Agency for additional resources to support the expected increased work load for the LPHA post Brexit.

24. **A bid to the Food Standards Agency (FSA)** for additional resources to increase the staffing levels at the London Port Health Authority in anticipation of increased workloads after Brexit has been made by senior managers in the Port Health and Public Protection Division and has now been agreed by the FSA. The FSA has agreed to cover the costs of Brexit preparation and planning incurred during 2018/19 and has given a commitment to some funding for 2019/20. FSA has asked for further bids for financial year 2019/2020 and we will be for additional funds.
25. The DCP is waiting to hear if a funding bid to Defra, to cover the increased demand and throughput expected at the Heathrow Animal Reception Centre is successful. This will enable additional temporary staff to be recruited and in place as soon as is practicable after 1st April 2019 and will be reviewed during September 2019.
26. James Brokenshire MP, Secretary of State for Housing, Communities and Local Government has written to the Leaders of English local authorities updating them on the preparations for Brexit his department has been undertaking and included confirmation on funding allocations for local authorities both in the current financial year and financial year 2019/20. £1.5 million will be allocated in 2018/19 only to specific local authorities facing immediate impacts from local ports, with details of the allocation and distribution of that funding to be announced shortly.

Corporate & Strategic Implications

27. The action taken to date and the above proposals are in accordance with previous decisions taken by your Committee, the PH&PP Business Plan, and the Departmental/Corporate Risk Registers.
28. The Government's Brexit related legislation is being monitored by the Remembrancer who will continue to facilitate appropriate representations being made and support PH&PP where possible.

Conclusion

29. The Brexit agenda is a dynamic one and there is no certainty what the final outcome will be in terms of any future withdrawal agreement that satisfies both the UK Government and the EU, and the UK Parliament, or if there is a no deal outcome.
30. Officers continue to represent the interests of your Committee to protect City Corporation interests in relation to the implications of Brexit. This has included seeking additional funding from Government for resources needed for increased workloads for the LPHA and the HARC post Brexit.
31. Work is being undertaken as part of the Corporation's Brexit Planning Group, in respect of risk to service delivery from a range of Brexit scenarios, the management of those risks and planned mitigating measures to reduce the predicted impacts.

32. Ongoing communications and dialogue is also taking place with colleagues in identified key stakeholder organisations to share our respective experience and understanding, and continue to explore further ways to work together to ensure the Government is fully aware of our concerns and are clear on what the City Corporation's key principles are in respective Brexit outcomes.

Appendices

- Appendix 1 - The City Corporation's response to the Government's response to the Lords EU Energy and Environment Sub-Committee; Brexit: Plant and Animal Biosecurity

Background Papers

- Impact of the UK leaving the EU (Brexit) on Port Health & Public Protection – report to Port Health & Environmental Services Committee, 19 September 2017.
- Update on the impact of the UK leaving the EU (Brexit) on Port Health & Public Protection – report to the Port Health & Environmental Services Committee, 6 March 2018.
- Update on the impact of the UK leaving the EU (Brexit) on Port Health & Public Protection – report to the Port Health & Environmental Services Committee, 16 July 2018.
- Update on the impact of the UK leaving the EU (Brexit) on Port Health & Public Protection – report to the Port Health & Environmental Services Committee, 27 November 2018.

Jon Averbs

Interim Director of Consumer Protection and Markets Operations

T: 020 7332 1603

E: jon.averns@cityoflondon.gov.uk



BRIEFING NOTE

Government Response to the House of Lords European Union Energy and Environment Sub-Committee Report 'Brexit: Plant and Animal Biosecurity'

The City of London Corporation's Response

Introduction

1. In its capacity as the Port Health Authority for the tidal Thames and as the Animal Health Authority for Greater London, the City of London Corporation undertakes border controls at all of London's ports, docks and wharves. The City Corporation is also responsible for animals that enter the UK through the Heathrow Animal Reception Centre (HARC), which totals 80% of the live animals imported by air into the UK. The City Corporation's functions are fundamental to the maintenance of UK biosecurity standards.
2. Consequently, the City Corporation made [a detailed submission](#) to the House of Lords EU Energy and Environment Sub-Committee's Inquiry regarding [Brexit and Plant and Animal Biosecurity](#). The City Corporation welcomed the Government's [response](#) to the Inquiry's report which it read with great interest.
3. The City Corporation wishes to outline its views on this response. The Government's responses to the Committee's recommendations are in bold text whilst the City Corporation's comments are in plain text.

Legislation

4. **The UK has been fully involved in the development of the new EU Animal Health Law. This law is due to come into force after we leave the EU and its provisions are still being finalised. We will wish to review the final legislation before committing to adopt it in full, taking into account our intention to maintain the highest standards of biosecurity in the UK in future. (Paragraph 7)**

The City Corporation wishes to offer its expertise in assisting the Government in developing the technical and regulatory requirements and standards in the new EU Animal Health Law in line with its intention to maintain the highest standards of biosecurity.

UK-EU Cooperation

5. **The Government agrees with the Committee that continued participation in EU pest and disease notification systems would be desirable and we would like to retain full access to EU disease notification systems where possible. There is some precedent for third country access to EU notification systems, and access to these is something that we will seek to negotiate with the EU. (Paragraph 11)**

The HARC is a recipient of this information for live animal disease notifications and therefore the City Corporation welcomes the Government's commitment to seek access to these notification systems.

6. **All of the EU notification systems have publicly available elements which the UK will continue to be able to access after EU exit. These public notifications will be supplemented with extensive intelligence gathering from other organisations, agencies and networks, and will be supported by enhanced bilateral relationships with key trading partners and our nearest neighbours. Functionality has already been added to the UK-owned plant-health portal to replace some of the EU notification system functions, and we constantly look for opportunities to enhance our existing plant and animal disease risk intelligence systems. (Paragraph 11)**

The City Corporation wishes this to be carried out quickly, efficiently and sufficiently tested to ensure both the robustness and integrity of the various replacement notification systems. There is an opportunity to further improve functionality of existing systems and incorporate those improvements into any new proposed systems. The City Corporation is happy to contribute to such a future workstream.

7. **The Government agrees with the Committee that the ability to trace the movement of animals and plants is an important component of biosecurity. The new imports notification system for the UK is currently being developed and this should be ready for end-to-end testing in January 2019. We are also currently evaluating contingency options with the Food Standards Agency and Port Health authorities should any aspects of the new system not be fully functional in time for EU exit. (Paragraphs 14 and 15)**
8. The City Corporation welcomes the progress of the new imports notification system. However, we are concerned that it will not have full functionality in time for the UK's withdrawal from the EU. We are also concerned that if we are forced to return to a 'manual' system that this will break the existing link with the HMRC system and will add delays to the process and a subsequent pressure on our resources.

Trade and inspections

9. **The Animal and Plant Health Agency (APHA) initiated a recruitment of additional Plant Health Inspectors in the late summer to ensure that it has sufficient trained resource to administer and inspect any increased number of Phytosanitary Certificates required post Exit. We are also engaging with industry to ensure they are able to implement the change in regime effectively. (Paragraph 24)**

The City Corporation would welcome additional information from the Government on more APHA veterinarians and increases to CITES licensing staff.

10. **The Government is committed to maintaining high standards of biosecurity and food safety whilst minimising any disruption to trade. Following our exit from the EU, we expect that standards in the EU will remain constant in the short term, and the biosecurity and public health risks posed by EU imports are therefore unlikely to change immediately upon EU exit. Defra is working with the Food Standards Agency, and has stated publicly their commitment to maintaining the current risk-based control approach to imports from the EU in the short term to ensure a smooth transition as the UK leaves the EU. (Paragraphs 25 and 26)**

The City Corporation is working closely with the Food Standards Agency, along with Suffolk Coastal Port Health Authority, and has had a bid for funding agreed by the FSA to increase resources for its Port Health functions to include the London Gateway Port, the Port of Tilbury and Thamesport. This will help to mitigate against increase in workloads predicted post Brexit.

11. **In the future, Defra considers that controls on imports should be risk-based and proportionate, taking advantage of available technologies to facilitate as frictionless trade as possible. As part of establishing risk-based and proportionate controls we will be considering related infrastructure needs. Defra and the Food Standards Agency are working closely together to develop proposals and will consult on these proposals in 2019. (Paragraphs 25 and 26)**

It is important that consultation is carried out as soon as is practicable and again the City Corporation can provide expert input into the logistics and practicalities for the necessary infrastructure that the UK Government is looking to provide at both the pre-consultation and consultation stages.

12. **We have published Technical Notices on Gov.uk setting out changes that would come into effect should WTO rules apply. This guidance stated that in the initial months following EU exit there are no plans to change current import controls for animals, animal products and high-risk food and feed from the EU. Details are also provided in the published Technical Notice for imports of plants and plant products, including new arrangements for imports from the EU, currently covered by the plant passport system. This guidance also explained that the UK would require importers to pre-notify the Food Standards Agency of imports from the EU using the UK's new import notification system. Defra and the Food Standards Agency are working closely together to develop proposals for the import controls that would apply after the initial period. (Paragraph 27)**

The City Corporation believes that local authority led Port Health Authorities should be properly consulted on any proposals coming forward from Defra and the Food Standards Agency, for future import controls, planned for the medium to long term.

Staff

- 13. The Government has guaranteed the rights of EU citizens and their family members living in the UK, and UK nationals living in the EU. The immigration White Paper published on 19 December sets out the foundation for a single immigration system, where it is workers' skills that matter, not where they come from. The future system will focus on high skills, welcoming talented and hardworking individuals that will support the UK's dynamic economy, enabling employers to compete on the world stage. Additionally, should it be necessary the Veterinary Surgeons Act 1966 (VSA) will be amended to ensure that those holding non-UK veterinary degrees can still register to practice in the UK. These amendments will not affect the rights of EEA nationals already registered to practice veterinary surgery (with the Royal College of Veterinary Surgeons, RCVS) in the UK or in the process of registering by 30 March 2019. These changes will continue to allow the overwhelming majority EEA veterinary degree holders to continue to have their degrees automatically recognised after EU exit as long as they meet equivalent RCVS standards. This will allow employers to continue to recruit non-UK veterinary surgeons to fill key roles, such as Official Veterinarians across a number of sectors. (Paragraph 31)**

This is vitally important for the London Port Health Authority. The specialised nature of roles such as Official Veterinarians and Port Health Officers mean that recruitment and training of new staff is complex and requires forward planning. This is compounded by an existing shortage of qualified staff for these roles.

We recognise an underlying vacancy rate of around 11 percent across the profession. We are working closely with the British Veterinary Association and the Royal College of Veterinary Surgeons to ensure sufficient capacity not only upon exiting the EU but also in the longer-term. This includes work to emphasise the importance and attractions of the veterinary role and to build capacity in the education system. We are pleased that around 70 additional vets will be graduating in June 2019 in the UK in comparison to the previous year.

Improving the UK's biosecurity

- 14. Depending on our future relationship with the EU, the UK's exit could provide an opportunity to examine and adjust our biosecurity measures on imports from the EU. For example, due to the rules of the EU Single Market, it is currently simpler for the UK to impose restrictions on the import of plants from outside the EU than it is on plants from within the EU when there is a threat to the UK. Similarly, the EU may deprioritise or delist animal diseases that we would still wish to restrict or control. We point the Committee to the example of Xylella on which Defra gave evidence to the Committee previously. (Paragraphs 40 and 44)**

The London Port Health Authority, along with colleagues working at ports of entry nationwide, and through their respective Local Government Associations and professional bodies, have a practical insight into the risk based assessment and management of food and feed products imported into the UK. The Government should ensure that consultations are fully inclusive to take maximum benefit from the sector's expertise.

*February 2019
Office of the City Remembrancer*