

## Highland Council

Minutes of Meeting of the **Brexit Working Group** held **REMOTELY** on Monday 23 November, 2020 at 1.00pm

### Present

Mr J Gray  
Mr G Adam  
Mr B Boyd

Mr J Bruce  
Mrs M Davidson  
Mr D Louden

### Officials in attendance

Mr A MacLeod, Brexit & European Policy Co-ordinator  
Ms R Cleland, Corporate Communications and Resilience Manager  
Mr P Whitham, Programme Manager  
Mr M Bailey, Commercial & Efficiency Team Manager  
Mr A MacInnes, Administrative Assistant

### Mr J Gray in the Chair

### BUSINESS

#### 1. Apologies for Absence

Apologies for absence were intimated on behalf of Mr S Mackie and Mrs T Robertson.

#### 2. Declarations of Interest

There were no declarations of interest.

#### 3. Minutes of Previous Meeting – 28 October, 2020

There had been circulated Minutes of the previous Meeting held on 28 October, 2020 the terms of which were **APPROVED**.

#### 4. Brexit and European Update

There had been circulated Report dated 16 November 2020 by the Brexit & European Policy Co-ordinator.

During discussion, the following main points were raised by Members:-

- In terms of devolved powers and the UK Internal Market Bill, it was queried if the UK Government would hold a substantial amount of powers following the UK withdrawal from the EU. It was advised that this had been described as constitutionally problematic.
- Consideration required to be given to how Brexit will affect the whole of the Highlands and how the impact would be mitigated.
- Reference was made to a letter from the Council's Climate Change Officer which raised concerns regarding the UK Internal Market Bill effect on the environment insofar as it affects the Highlands. There were specific provisions within the UK Internal Market Bill that could

mean different environmental standards in the UK. Therefore, there was potential for these standards to be imposed on Scotland. A copy of the letter would be sent to Members of the Working Group. It was suggested that there should be future discussion on who sets standards and how acceptable standards are set across the UK Internal Market.

- In terms of future trading arrangements including ports and fisheries, it was highlighted that the farming community may be protected for the first 12 months but there was uncertainty thereafter. The farming community had been significant beneficiaries of membership of the EU and if this support disappeared after 12 months what would happen to this sector then. Also, what would happen to food prices as the support currently in place, kept food prices down. Also, in terms of market access, farms relied on being able to sell goods into Europe as members of the common market and customs union. These access rights would disappear and the UK would operate under World Trade Organisation (WTO) rules. The uncertainty of WTO rules was concerning and the impact on businesses and communities in Highland would need to be considered.
- The focus of the Immigration Act was on medium to highly skilled jobs. There were also schemes for Students, Health and Social Care and Seasonal Horticulture EU employees. However, in Highland the big sectors were aquaculture, catering, hospitality, social care homes, but none of these were included in the Immigration Act. The Home Office was not sympathetic to regional variations on immigration.
- If inward migration was required in Highland for sectors such as tourism, hospitality, fishing, fish processing and social care, it was queried what number of EU employees in Highland was required. A case could then be made to the Home Office to allow regional variations in inward migration for work purposes.
- The tourist industry was one of the most important in Highland and there was a need to consider how to make it as easy as possible for visitors to come to the area.
- The final Brexit agreement was still not known and a number of the issues discussed at the meeting would become clearer early in the New Year.
- It was queried if the additional costs of employing migrant workers were significant. It was confirmed that it would cost the Employer a minimum of £1,000 per person per year. Also, migrant workers would have to pay for costs associated with applying for a Visa to work in the UK and to have access to NHS services.
- The funding programmes for European Regional Development Fund would conclude at the end of 2022/23 financial years. However, these programmes had been delayed and how they were to resume would require to be considered.
- In relation to the UK Shared Prosperity Fund, it was expected that an announcement would be made on 25 November, 2020 during the UK's Government's spending review. In this respect, it was important that Highland determined its own priorities in terms of how funding could be used. It was suggested that a preliminary meeting be held with all the Leaders of Highlands and Islands Local Authorities following the announcement in order to formulate a joint public statement on the

financial impact on the Highlands and Islands dropping out of the EU funding programmes and losing EU market access.

- It was anticipated that the Highlands and Islands would be the worst affected area in the UK following the withdrawal from the EU. An undertaking was given to provide Members with a view on the financial impact following the announcement on 25 November. In addition, it was intended to give briefings to the political groups with a view to agreeing a way forward.
- It would be checked that the agriculture single payment under the Common Agricultural Policy was included in the financial impact.

Thereafter, the Working Group:-

i **NOTED** the report;

ii **AGREED** the course of action highlighted in sections 12 – Summary of Ongoing Preparations; and

iii **NOTED** the intention to provide the Working Group with a view on the financial impact of Brexit on the Highlands and Islands following the UK Government's spending review announcement on 25 November, 2020. In addition, it was intended to give briefings to the political groups with a view to agreeing a way forward.

## 5. **Date of Next Meeting**

The Working Group **NOTED** that the next meeting was to be confirmed.

The meeting was closed at 2.20 p.m.