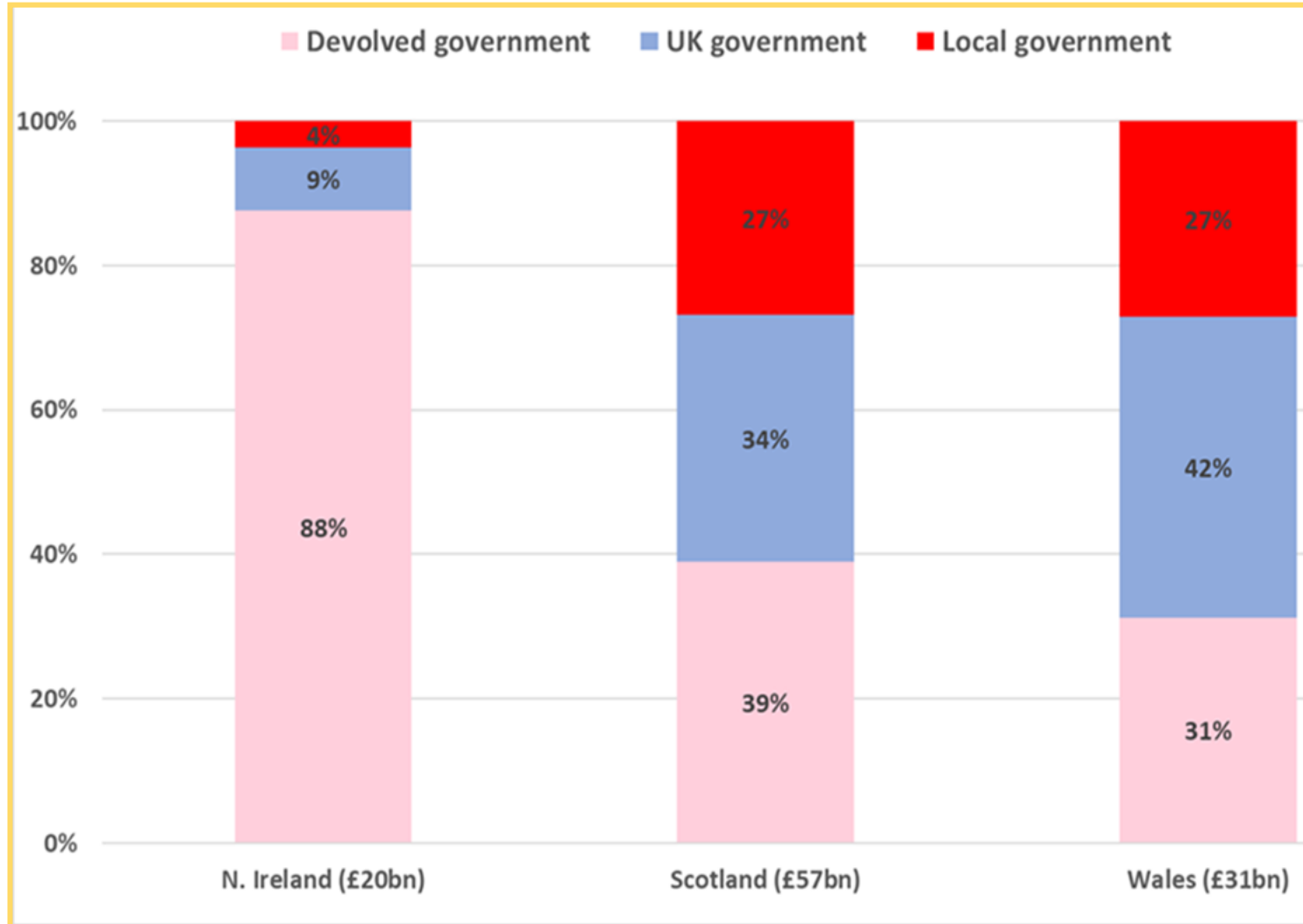


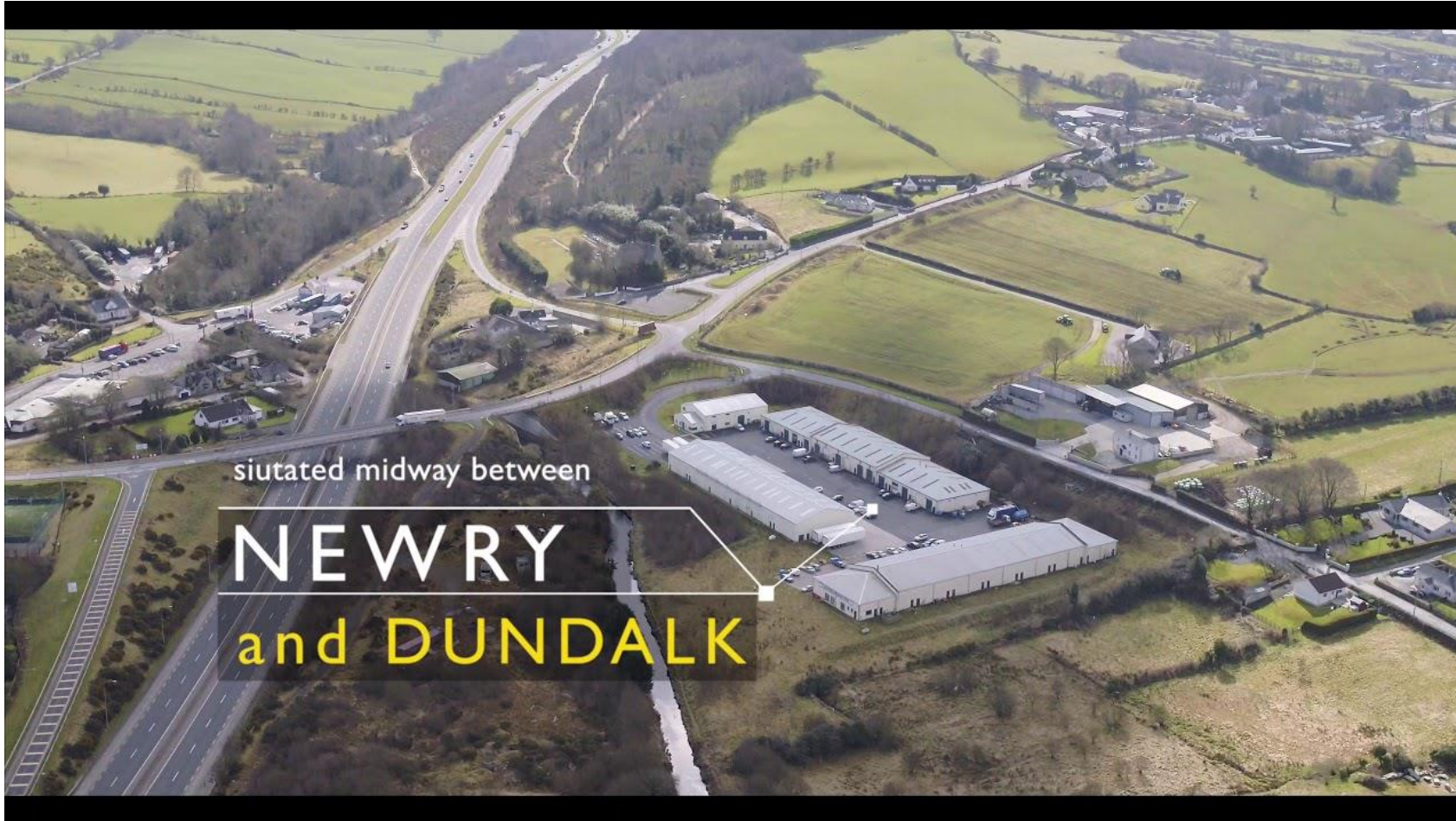
# **EU Exit and Local Councils in Northern Ireland**

Derek McCallan, NI Local Government Association, LOCAL BY DEFAULT,  
APSE,

9<sup>th</sup> September 2021

# How much do different levels of government spend?





# Purpose of work and methodology

- To understand the impacts, implications, opportunities and threats of EU Exit on Local Councils in Northern Ireland
- To develop action focused recommendation for Local Councils to respond to with NILGA and APSE
- Method
  - Desk Review of existing research
  - Workshop with Local Councils (politicians and officers)
  - Case Study interviews with 3 Local Councils

# Some opening thoughts

- Designed to be the singular document for information
- Iterative in its nature
- Language of have, will, could and should
- Medium and longer term
- Impacts (areas of council business affected)
- Implications (changes that need to be made)
- Opportunities (for local council business)
- Threats (to local councils and economies)

# Core Findings – Areas of Local Council Business affected

- Corporate governance and finance
  - E.g. Enhanced role for CEOs
  - E.g. Local Council finances and special initiative funding
- Economic Development and planning
  - E.g. Around port infrastructure and management
  - E.g. Around jointly financed projects with Local Councils in the South
- Employment and movement
  - E.g. Around staff-well being
- Services
  - E.g. Around communications

## Looked in depth at 4 areas

- **Economic Development and Tourism**
- Procurement
- Frontline Regulatory Services and Waste Management
- Business and Cross Border Relationships

<p><b>Impacts</b></p> <ul style="list-style-type: none"> <li>a.) Removal of EU Structural Funds from 2022 onwards and replacement with domestic alternatives, which at present do not allow for cross-border projects (North-South or East – West)</li> <li>b.) Trade is lost with EU Member States and Multinationals re-locate elsewhere.</li> <li>c.) Potential reductions in cross-border working and product around tourism.</li> </ul>	<p><b>Implications</b></p> <ul style="list-style-type: none"> <li>a.) Local councils will need to identify alternative funding sources for economic development projects.</li> <li>b.) Local Councils are left with lots of business land and associated unemployment.</li> <li>c.) Local councils will need to develop and enhance their own tourism offers and marketing material.</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>a.) The anticipated Shared Prosperity Fund as the replacement for EU Structural Funds</li> <li>b.) New UK Government policy areas and economic development vehicles such as Freeports</li> <li>c.) New tourist markets could be created on a Northern Ireland basis, taking advantage of business tourism potential.</li> <li>d.) New foreign direct investment from companies wishing to take advantage of the unique position of Northern Ireland. And growth of local direct investment.</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>a.) The Shared Prosperity Fund remains unclear and the funding amounts are lower than those of EU Structural Funds, as are the timeframes.</li> <li>b.) That Freeport status is allocated elsewhere in the UK</li> <li>c.) Tourists decide to go elsewhere as a result of complexities (both real and perceived) associated with entering and moving across the island.</li> <li>d.) The challenges associated with the existing planning system and the speed at which decisions are made.</li> </ul>

- **Economic Development and Tourism**
  - Impact – Removal of EU Structural Funds from 2022
  - Implication – Local Councils will need to identify alternative funding sources
  - Opportunities – City Deals, Shared Prosperity Fund, Levelling Up Funding etc
  - Threats – lack of clarity and lower funding levels



- **Procurement**

- Impact – potential for a changing approach to procurement
- Implication – scope to explore local economic, social, environmental factors
- Opportunities – develop local supply chains and use procurement to address challenges
- Threats – innovation is stifled

- **Frontline Regulatory Services and Waste Management**
  - Impact – increased need for food, environmental health ‘inspections
  - Implication – local councils may need to cover the costs post 2022
  - Opportunities – increase in specialist local authority workforce
  - Threats – insufficient funding

- **Business and Cross Border Relationships**

- Impact – recognition of competitive advantage of Northern Ireland in some sectors
- Implication – increased council focus on inward investment strategies
- Opportunities – to grow both LDI and FDI
- Threats – internal trading in UK market

# Recommendations and Actions

- 1 (a) – invest in frontline workers
- 1 (b) – build capacity around new economic development
  - Action – review of internal structures
  - Action – APSE performance monitoring around ED
- 2 – enhance partnership working with NI institutions and Government
  - Action – APSE, NILGA and SOLACE lobbying around Levelling Up and Shared Prosperity Fund
- 3 – strengthen communications
  - Action – APSE, NILGA and SOLACE to lobby for new international relations strategy

# Recommendations and Actions

4 – take advantage of competitive advantage

- Action – Councils to review economic strategies and work with representative bodies

5 – use procurement as lever to address wider challenges

- Action – lobby around Social Value
- Action – use APSE’s wider network around Social Value

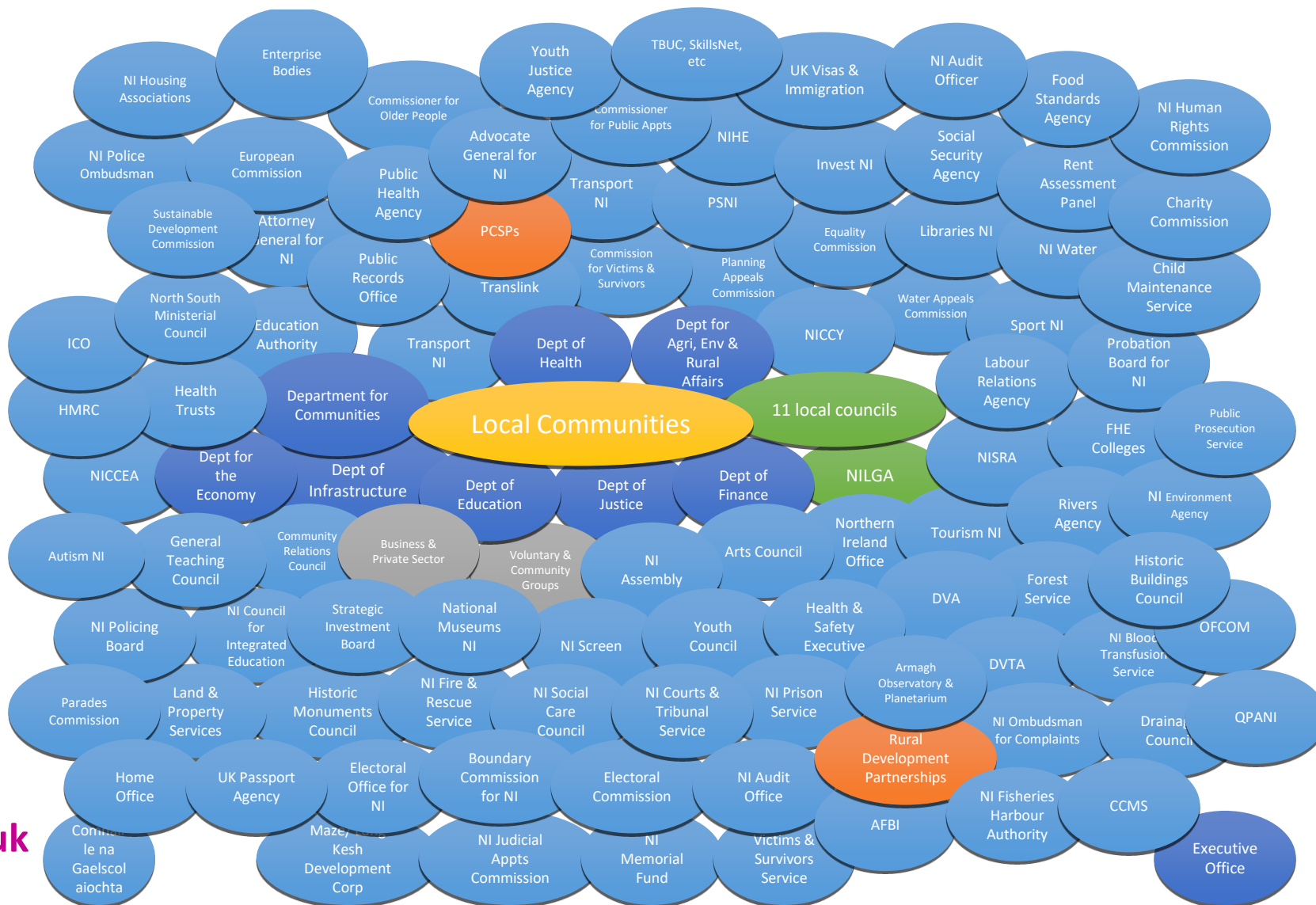
6 – build environmental health officer capacity and skills

- Action – quantify ‘new burden’ and engage with departments

7 – review waste management approach and services

- Action – engage with ongoing work
- Action – use APSE’s wider network around Green Economy

# PITY THE CITIZEN



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Make It  
Happen**



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Thank You