

AILG

Association of Irish Local Government
Aontas Rialtas Áitiúil na hÉireann

BREXIT ISSUES PAPER



INTRODUCTION

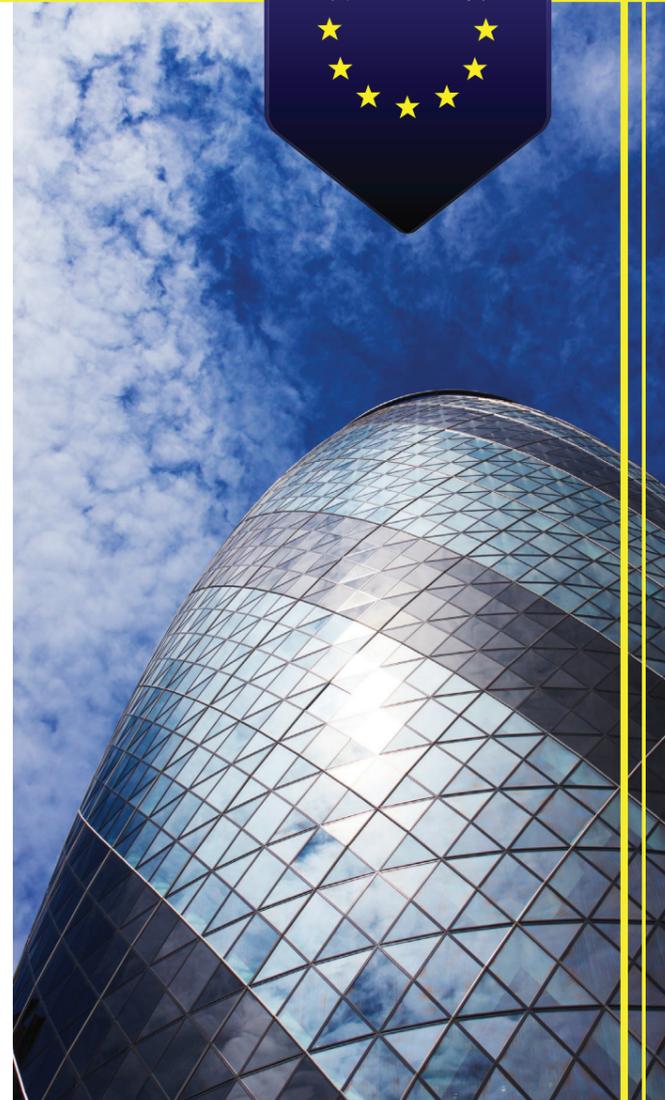
The Association of Irish Local Government established a policy sub-group of elected members to attempt to identify ways in which the local government sector in Ireland could respond to the issues arising from Brexit. The sub-group's work took place against a background of uncertainty and speculation on the eventual shape of the arrangements between the UK and the EU.

Few current issues have generated so much commentary, analysis and prediction and yet few issues have been surrounded by so much uncertainty. It was in that context that the policy group attempted to highlight some areas which had the potential to be of consequence for to the local government sector.



Since the referendum in the UK in June 2016 there has been a torrent of commentary and analysis regarding Brexit and its consequences for Ireland. Pages of newsprint and many hours of broadcasting time have been consumed as the implications for Ireland of the UK electorate's decision to withdraw from the European Union have been analysed.

The Government and many state agencies have put in place consultative structures to reach out to the many strands of society and the sectors of the economy which may be impacted by Brexit. The facts and figures of Ireland's economic relationship with the UK and the EU have been well rehearsed. The local government sector has played its part in readying for Brexit with the Border local authorities leading the way in terms of attempting to predict the shape of cross-border relationships in a post-Brexit Ireland. In other parts of the country local authorities have organised seminars through the Local Enterprise Offices to help small business ready itself for the challenges of Brexit.



However such attempts to discern the future shape of relationships between the Republic of Ireland have run into twin obstacles of a) uncertainty and b) complexity. Regarding the first, "uncertainty" has become the dominant theme associated with Brexit. Because Brexit is unprecedented - never before has a member state left the European Union - there is no template to visualise what the future will look like following the UK withdrawal. The situation is further exacerbated by the fluid political situation which surrounds the negotiations. There is no certainty on where on a scale from "soft" to "hard" the eventual settlement will lie - making it extremely difficult to forecast how something as specific as local authority services will be changed by the eventual working out of Brexit.

A second complication in relation to forecasting Brexit outcomes is the complexity of the relationships involved. There are effectively three sets of relationships affected by Brexit:

- the relationship between the European Union and the UK;
- the relationship between the Republic of Ireland and the UK;
- the relationship between the Republic of Ireland and Northern Ireland.



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As a result of the uncertainty and complexity set out above the conclusions of this position paper are based on the state of knowledge at the time of writing. The fluidity and uncertainty of the situation is a challenge for even the best-resourced agencies attempting to forecast the outcome of Brexit. Therefore the AILG will monitor and revisit this paper when – and indeed, if – the high-level negotiations on Brexit produce a level of certainty from which valid conclusions can be drawn.



PROPORTION & PRAGMATISM

Two background themes which need to be taken into account in any consideration of Brexit are proportion and pragmatism. While Brexit will have implications yet to be determined, the fact remains that core local government services will continue to be delivered. The routines of housing provision, planning business, playground provision, public lighting, library facilities and many other local government services, are not Brexit-dependant in their own right and will continue in place as they have through other policy challenges faced on the island of Ireland over many decades. A sense of proportion must be retained in relation to Brexit so that the real issues can be clarified against the background of the wider spectrum of local authority activity.

There will be, of course, remain concerns about what seems an inevitable economic impact of Brexit with tourism, farming, and producer enterprises likely to sustain difficulties in turnover arising from obstacles and costs that Brexit might create for the free movement of people and commerce. This in turn could impact on the ability of small business to pay rates income to councils. However any such reverses in revenue will be in the context of impact on revenues and taxes throughout the economy. The local government sector will not be alone in such a scenario. Local authorities can be relied on to work through such impacts in a pragmatic way - making the kinds of choices between income and spending which are part and parcel of local authority budgeting.

Local Government Brexit Issues at EU, National, Local and AILG levels

The policy sub-group of the AILG considered the wide spectrum of issues that would potentially impact on the local government sector following Brexit in 2019. At time of writing the level of uncertainty surrounding the eventual shape of Brexit precludes any firm conclusions. However a range of recommendations both national and local are worth putting on record as being prudent preparations on the assumption that a Brexit in some shape or form will materialise.

EU LEVEL ISSUES

- The European Union must be urged to recognise Ireland's extra peripherality following a full Brexit. Already peripheral being on the western extremity of the continent, Ireland will now find itself separated from the European mainland by a non-EU member state straddling many transport routes to the continent.
- The EU must be conscious of the need to support transport investment relating to road, rail and marine connections which will help to ensure efficient connection between Ireland and the European Union.
- The programmes funded by the EU/UK/ Irish co-funded "Peace" and "Inter-Reg" schemes need to be protected in the light of any funding challenges that might emerge after Brexit. The programmes funded under these projects include the key cross-border programmes as well as the Inter-Reg programmes connecting the South East of Ireland and Wales. These programmes have immense importance in terms of cultural and social support to communities.

NATIONAL LEVEL ISSUES

Both through the EU negotiations, and any bi-lateral discussions with the UK, the Irish Government is urged to strive for the following outcomes as far as is possible consistent with membership of the wider EU:

- Travel between Ireland and the UK & NI to be facilitated in the most fluid way possible bearing in mind the critical nature of personal, tourist and business travel to Irish society and economy. This applies both to travel across the border and to travel between Ireland and Great Britain.
- Any measures which might impact on the free movement of goods, services and trade of all kinds between Ireland and the UK & NI be minimised. In particular that any procedures relating to checking of the transit of people, goods and services have the lightest footprint possible with minimal delays and costs involved.
- Consideration be given to access to a tariff sharing scheme on a tapering basis so as to help SMES and farming/agri-food enterprises absorb initial shocks should sudden tariff-barriers emerge.
- Irish and UK governments to secure funding and drive forward delivery of key road, rail and ferry connections between the south of Ireland and the north so as to ensure maximum linkage between all parts of the island.
- In all Brexit discussions the civic, cultural and social dimensions of relationships between the Republic of Ireland and the UK be core considerations along with the economic implications.

- Local authorities will be encouraged to Brexit proof all of their key planning documents such as the County Development Plans, Local Area Plans, etc. so as to respond to the issues posed by Brexit.
- It is proposed that local authorities use whatever economic levers are available to them -- including the LEOs and LCDCs -- to mitigate the impacts of Brexit and, equally, to be able to take advantage of any opportunities presented.
- The programmes funded by the EU/UK/Irish co-funded "Peace" and "Inter-Reg" be protected in the light of any funding challenges that might emerge after Brexit. The programmes funded under these projects include the key cross-border programmes as well as the Inter-Reg programmes connecting the South East of Ireland and Wales.
- That the Dept of Housing would consider any legislative amendments that need to be made to allow councils to amend statutory documents such as development plans to take account of the implications of Brexit.
- That a forum be convened by the Dept of Housing, Environment, Community & Local Government to bring together local government leaders, elected and executive, to discuss "Brexit" related issues and how local government can be empowered to deal with the implications – both those which are challenging and which are positive – arising from the future relationship of the EU and the UK. This forum might be modelled on the successful fora run in early 2017 by the Dept of Transport and the Dept of Arts respectively which brought together practitioners from the relevant sectoral areas. The variety of viewpoints on "Brexit" provided a highly stimulating forum for teasing out the issues involved.



- Local Enterprise Offices in each local authority will continue to support and advise local businesses in terms of identifying and responding to both the potential and the challenges presented by Brexit.
- Arrangements for the cross-border delivery of services – e.g. agreements on cross-border fire services cover – should be assessed to ensure that they are resilient in the face of Brexit.
- It is timely for local authorities to re-visit town twinning links to assess opportunities for maintaining links and reinforcing connections with communities in EU member states bearing in mind the roles that personal, social and sporting connections play in sustaining commitment to the ideals of the European Union.



- The Association will participate – as it has done to date – in opportunities to interpret and understand the implications of Brexit as the high-level negotiations progress between EU and the UK Government.
- It will develop its initial engagement with the County and City Management Association so that both the elected and the executive echelons of local government can reinforce the sector's approach to the emerging situation.
- Once the framework of Brexit is clarified the AILG will include presentations on Brexit as part of its training programme for Councillors relevant not alone to members in the border counties but to members of local authorities throughout Ireland.

- The AILG will maintain its existing positive contact with its counterpart association in Northern Ireland, the Northern Ireland Local Government Association, so that a channel of communication is present to identify Brexit related outcomes affecting the local government interest throughout the island of Ireland.
- The AILG will include input in its training activities from the Regional Assemblies who have a key role regarding EU and Inter Reg programmes.
- The AILG will schedule events in its normal programme of meetings to take place in border counties so that delegates from all local authorities can develop understanding of the full range of cross-border civic, social and cultural connections which benefit not alone the border counties but civic society across all parts of the country.
- The AILG through its membership of the Council of Europe's Congress of Local & Regional Authorities in Europe will seek to comment on any consequences of Brexit that might impact on the Council of Europe's principles on trans-frontier co-operation between local authorities.

AILG BREXIT RELATED ACTIVITIES UNDERTAKEN TO DATE

- 23 January 2017:** AILG represented at Forum on Transport and Tourism under the auspices of Minister Shane Ross, T.D., (Dundalk).
- 6 February 2017:** AILG represented at Forum on Arts, Rural & Community Development under the auspices of Minister Heather Humphreys, T.D., (Cavan).
- 11 May 2017:** AILG Executive members meet with County & City Management Association – Brexit on the Agenda.
- 24 May 2017:** AILG Plenary body convened to hear from NI & Border area speakers (Newry). Attended by Councillors from all of the thirty-one local authorities in the State.
- 12 July 2017:** Liam Kenny & Tom Moylan, AILG visit "Celtic Pure" bottled water enterprise in Co Monaghan, courtesy of Cllr Pdraig McNally, and spoke with CEO Pat McEaney to get an entrepreneurial perspective on Brexit.

During this period the AILG Brexit team of Councillors met monthly to discuss possible local authority implications of the evolving situation.

FIRST AILG MEETING IN NORTHERN IRELAND



At the AILG Meeting in Newry: Mr Tom Moylan, Co-Director, AILG; Cllr Sean McPeake, President, NILGA; Cllr Pat Daly, President, AILG; Ms Joan Martin, CE, Louth County Council; Ms Pamela Arthurs, CE, East Border Region; Cllr Damien Geoghegan, Vice President, AILG; Mr Fearghal Reidy, LGMA; and Mr Derek McCallan, CEO, NILGA.

For the first time since its inception in 2014 the AILG scheduled a Plenary Meeting for a Northern Ireland location. Locating a meeting north of the border was part of the AILG strategy for giving Councillors an insight into Brexit issues as they may impact on local government. The meeting took place in Newry and was addressed by a panel of experienced local government leaders who spoke on Brexit perspectives as seen on both sides of the border. It was clear that the local authorities in the Border region had a great deal of homework done and are equipped with the data and studies necessary to help navigate the best outcomes within the framework of the high-level Brexit negotiations.

The Association was very pleased to have been joined by our colleague local government organisation north of the border – the Northern Ireland Local Government Association (NILGA). We received a hearty welcome from Cllr Sean Peake, NILGA President and from Mr Derek McCallan, Chief Executive.

Compelling presentations were made to the assembly by three highly experienced local government executives in the Border regions:

- Ms Joan Martin, Chief Executive, Louth County Council
- Ms Pamela Arthurs, Chief Executive, East Border Region
- Mr Liam Hannaway, Chief Executive, Newry, Mourne & Down Council

The presentations were followed by a highly-interactive questions and answers session in which delegates sought opinion on the various permutations that might flow from any eventual Brexit outcome.



Site visit to a Border business: Tom Moylan, AILG; Pat McEaney, CEO, Celtic Pure; Cllr Padraig McNally, AILG Brexit team; Liam Kenny, AILG; at the Celtic Pure plant, on the Carrickmacross-Shercock Road, Co Monaghan.

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