

# BWRDD GWEITHREDOL

19eg Medi 2016

## BREXIT A'R EFFAITH BOSIBL AR SIR GAERFYRDDIN

**Y Pwrpas:** Diben yr adroddiad hwn yw amlinellu'r ddealltwriaeth bresennol ynghylch gadael yr UE a'r goblygiadau posibl o ran faint o gyllid Ewropeaidd y mae'r Sir yn ei dderbyn, yn ogystal â chymryd i leihau'r effaith uniongyrchol ar Sir Gaerfyrddin.

### Yr Argymhellion:

- Derbyn yr adroddiad er gwybodaeth
- Parhau i roi pwysau ar lywodraethau canolog (Cymru a'r DU) i sicrhau bod y gwariant yn cael ei gyflymu a bod buddsoddi o hyd ar ôl gadael yr UE
- Cynorthwyo Cymdeithas Llywodraeth Leol Cymru i lobïo ynghylch ymrwymiad cyllid pendant gan Lywodraeth y DU i wneud iawn am unrhyw ddiffyg yn y cyllid Ewropeaidd sydd wedi'i ddyrannu i Gymru hyd at ddiwedd cyfnod y rhaglenni presennol h.y. 2020
- Ceisio cymeradwyaeth i symud y prosiectau presennol hyn yn eu blaenau er mwyn sicrhau eu bod yn cael eu rhoi ar waith yn gyflymach

### Y rhesymau:

Sicrhau bod gadael yr UE yn cael cyn lleied o effaith â phosibl a bod cymorth hirdymor ar gyfer twf economaidd a busnesau yn y Sir.

Ymgynghorwyd a'r Pwyllgor Craffu perthnasol – Amherthnasol.

Angen i'r Bwrdd Gweithredol wneud penderfyniad OES

Angen i'r Cyngor wneud penderfyniad NAC OES

YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:- Y Cynghorydd Meryl Gravell

### Y Gyfarwyddiaeth

Prif Weithredwr Cynorthwyol,  
Adfywio a Pholisi

**Enw Pennaeth y  
Gwasanaeth:**

Wendy Walters

**Awdur yr Adroddiad:**

Rhian Phillips

**Swyddi:**

Prif Weithredwr Cynorthwyol

Rhaglenni Ewropeaidd

Rhifau ffôn:

Cyfeiriadau E-bost:

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## EXECUTIVE SUMMARY

# EXECUTIVE BOARD 19<sup>TH</sup> SEPTEMBER 2016

## BREXIT AND THE POTENTIAL IMPACT ON CARMARTHENSHIRE

### BRIEF SUMMARY OF PURPOSE OF REPORT

#### Introduction

The purpose of this report is to outline current understanding of the Brexit vote and the potential implications on the level of European funding received by the County as well as steps being taken to mitigate the immediate impact on Carmarthenshire.

#### Background

The announcement of the Brexit vote has obvious implications for Carmarthenshire and Wales as a whole in terms of the funding received.

Carmarthenshire has benefitted significantly over recent years with the Authority alone drawing down investment of over £150million from the Convergence and Rural Development Plan programmes (2007-14) which has resulted in more than 2000 new jobs being created. Under the current programmes (2014-2020), the Authority is directly involved in a number of projects, some of which have already been approved and delivery has commenced, whereas others are still at business planning stage. A full list of projects, their current status and their indicative timeframes are included at Annex 1. We therefore seek endorsement to progress these current projects in order to accelerate their delivery.

Following the Brexit announcement, the Prime Minister has announced that the UK will have 2 years from when Article 50 is invoked which is unlikely to happen until October 2016 at the earliest. This may well change in light of the recent changes in Government. The worst case scenario for when EU funding might cease is the end of 2018.

## How are we responding in Carmarthenshire?

In order to mitigate the potential loss and risks to the Authority, we are currently undertaking a number of actions to ensure that existing commitments are secured, and actions to restore public confidence, as noted below:

Working closely with Welsh Government to assist in bringing forward investment earlier than originally planned

Supporting the WLGA in lobbying for a guaranteed funding commitment from the UK Government to meet any shortfall in the European Funding allocated to Wales up until the end of the current programming period i.e. 2020.

Working closely with the Welsh European Funding Office to ensure that the Authority is fully aware of any policy changes within the funding bodies that may have implications on local delivery of projects.

Mitigating risk in relation to existing applications by reviewing all projects that have already commenced and also those projects that are currently being developed to ensure that they are still deliverable, should the funding period be curtailed.

Restoring public confidence by producing a positive PR campaign over the next 12 months to provide a positive message to local businesses and communities that despite Brexit there is a great deal of investment being delivered within the county

### Conclusion

In conclusion, the Brexit announcement will inevitably have significant implications on the future level of funding received by the County. The Authority is working closely with the WLGA to lobby ministers in Whitehall and Welsh Government for reassurance that funding lost via European sources will not be lost to Wales and to the county. Whilst it is hoped that Welsh Government will be able to secure additional funds for Wales, the outcome of which will remain unclear for many months.

In the meantime, there is still a great deal of investment being delivered in the county via approved projects which we will continue to monitor and review. Working in conjunction with the funding bodies, we will endeavour to secure as much funding as possible to support the delivery of our regeneration aspirations.

**DETAILED REPORT ATTACHED?**

**YES**

## IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: **Wendy Walters**

**Assistant Chief Executive**

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
<b>NONE</b>	<b>NONE</b>	<b>YES</b>	<b>NONE</b>	<b>YES</b>	<b>YES</b>	<b>NONE</b>

**Finance** - The Authority is currently involved in the delivery of 4 approved projects, including Cynnydd, Workways +, the Regional Engagement Team and Communities 4 Work, some of which are due to operate post December 2018. Whilst we hope that these projects will be able to continue for the full term, we are working with the project teams to ensure that they are made aware of any changes from the funding bodies so that they can plan accordingly. We are also reviewing all projects that are currently being developed or are within the WEFO/Welsh Government appraisal process to ensure that they are still deliverable, should the funding period be curtailed. This is of particular relevance to the larger capital projects, the scale of which may need to be re-visited as a result.

**Risk Management Issues** - The uncertainty relating to the timing of Brexit and associated implications on funding programmes requires careful monitoring. We will continue to work closely with the funding bodies to ensure that we are fully aware of any policy changes which may affect delivery of projects. We also need to be mindful that where there are commitments by the Authority (staffing, office rental, any external contracts with suppliers etc) post 2018 that there is potential risk should we exit the EU in 2018.

**Staffing Implications** - As above, any changes to the timeframe relating to the closure of existing programmes, may have an impact on staff employed to deliver projects. We will continue to work with all project managers to ensure that they are kept up to date with any developments and policy changes made by the funding bodies so that they can plan accordingly.

## CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: **Wendy Walters**

**Assistant Chief Executive**

1. Scrutiny Committee N/A
2. Local Member(s) N/A
3. Community / Town Council N/A
4. Relevant Partners N/A
5. Staff Side Representatives and other Organisations N/A

**Section 100D Local Government Act, 1972 – Access to Information**

**List of Background Papers used in the preparation of this report:**

**THERE ARE NONE**