What impact the Article 50 negotiations have had upon your business / organisation to date?

There have been limited direct implications of the negotiations to date, other than a need to divert resources towards monitoring and influencing developments and assessing their future implications for Aberdeenshire and Aberdeenshire Council. However, there has been a notable reduction in the number of job applications being received from non-UK EU citizens in recent months. This is exacerbating difficulties in recruiting staff for hard-to-fill posts.

There has been disruption to delivery of European Union-funded programmes due to uncertainty over the funding commitments and a need to commit resources earlier than intended to meet the deadline of 29 March 2019. Whilst the UK Treasury has extended the period for which it will honour commitments from EU funds until the end of December 2020 – even in the event of a ‘no deal’ scenario, this does not appear to have filtered through to all of the Scottish European Structural and Investment Programmes.

What preparations, if any, are being made by your business / organisation for the range of scenarios which may result from the Article 50 negotiations?

If there is a deal agreed, Aberdeenshire Council foresees the transition period from 30 March 2019 to 31 December 2020 as an appropriate period in which to prepare for new arrangements. At this time, the general principles of a future deal should be set out in the Withdrawal Agreement and will provide parameters within which to carry out post-Brexit planning. At present, there is too little detail available on the various post-Brexit scenarios to justify diverting limited resources to post-Brexit planning (other than for service-critical matters which may result from a ‘no deal’ scenario). Aberdeenshire Council is presently gathering information and analysing potential impacts of a ‘no deal’ scenario the delivery of Council Services. Bringing forward purchases of materials prior to 29 March 2019 may be considered closer to this time if a ‘no deal’ scenario seems likely.

What you consider the impact of a no-deal outcome would be for your business / organisation?

The main areas where there could be an impact have been identified as primarily relating to the status of EU/EEA nationals who reside in Aberdeenshire and/or work for Aberdeenshire Council. As this is a wholly reserved matter to the UK Government, there is little which the Council can do to actively prepare for a ‘no deal’ scenario. However, the Council plans to review how best to support employees/citizens to apply for ‘settled status’ in the UK once the UK Governments application system becomes fully operational. Another area of potential disruption relates to the availability of imported goods, particularly for infrastructure projects. There is also likely to be pressure on resources to support companies who will need certification for export of goods into the EU Free Trade Area.
To what extent, the guidance issued by the European Commission and UK Government has been helpful in helping you to prepare for the UK’s withdrawal from the EU?

Given the number of variables for post-Brexit arrangements and the complexity of disentangling the UK from 45 years of European integration, it is difficult for either the EU or UK to provide practical guidance for stakeholders. However, the guidance produced to date has been helpful in terms of highlighting areas of potential disruption which is useful in signposting organisations to potential risks and implementing mitigation measures. Guidance from the European Commission tends to be detailed and technical whereas guidance from the UK Government tends to be higher level and more generic. The former can therefore at times be difficult to process whereas the latter can lack the detail required to make preparations.

What further support or guidance you consider the Scottish Government, UK Government and / or European Commission should be providing to enable individuals, businesses and organisations in Scotland to prepare for the UK’s withdrawal from the EU?

From the UK Government, there is a need to ensure that the Settled Status scheme is operational as soon as possible and that support is made available to EU/EEA citizens living in the UK to apply for settled status. Resources will be required to provide face-to-face assistance to EU/EEA citizens rather than relying on the completion of online forms. There should also be recognition of the potential impact on Local Authorities and voluntary sector organisations which need to be adequately resourced to provide support to EU/EEA citizens.

From the Scottish Government, mirroring the UK Government’s guarantee to underwrite all European Union funds up until the end of 2020, rather than March 2019, would be welcomed.

Further practical advice to businesses is required to assist them to prepare for Brexit, particularly with regards to potential changes to supply chains, customs processes, taxation and labour market availability. It is anticipated that the introduction of customs barriers and the ending of free movement of people will require businesses to complete additional paperwork/checks. Guidance on these processes will be required in addition to more strategic advice on business planning due to changes to the economy and trade arrangements.