

Brexit Risk and Impact Plan - 12 Sept 19 version

INSTITUTIONAL ASPECT	RISK IMPACT	NO DEAL BREXIT IMPLICATIONS	WITHDRAWAL AGREEMENT IMPLICATIONS	ACTIONS
1.0 <u>PEOPLE</u>				
1.1). Ability to retain and recruit EU nationals as an important part of our workforce. 15% (470 of our 3,200) academic staff are from the EU. A further 100 EU staff work in other roles. The University employs around 7,000 staff (Full Time Equivalents) in total.		<div><div>- The Settlement Scheme will close on 31 October 2019. After that date, new EU staff entering the country and starting work will apply for European Temporary Leave to Remain (ETLR). This allows them to stay for up to 3 years, after which they will be subject to the same residency and work permit schemes as International, non-EU staff.</div><div>- For EU staff already working in the UK before 31 October 2019, the deadline for applying for the Settlement Scheme is 31 December 2020.</div><div>- Significantly more challenging to retain our talent pipeline from the EU given that EU citizens will be treated like any other non-UK national</div><div>- EEA EFTA (Norway, Leichtenstein, Iceland) and Swiss nationals are not covered by agreements reached between the UK and the EU. The UK has however negotiated separate deals with these states, which confirm that nationals from these countries will be treated in largely the same way as those from the EU.</div></div>	<div><div>Reasonable assurance that staff already in the UK will be able to remain and work, and travel internationally without impost.</div><div>- Significant probability that any future deal with the EU will restrict migration making it more challenging to retain our talent pipeline from the EU given that EU citizens will be treated like any other non-UK national. However, the Brexit White Paper makes a commitment to immigration supporting research and higher education.</div></div>	
1.2). Staff mobility		<div><div>- Risk of staff (or their families) who are out of the UK at the withdrawal date having difficulty returning to the country</div><div>- The UK cannot act unilaterally to protect the rights of UK nationals in the EU. In the event of a no deal Brexit, it will be up to individual member states to decide what rules will be in place for UK citizens residing in these countries on 31 October 2019. Should a member state choose not to protect the rights of resident UK citizens, these individuals may be treated as third-country nationals and therefore become subject to the migration rules of that member state. This may require them to apply for a visa in order to continue working or studying there.</div><div>- EHIC cards will not be valid after 31 October 2019. Travel insurance will therefore be essential for EU business trips.</div></div>	<div><div>Unlikely to be any implications (other than non-UK nationals – see 1.1 above)</div></div>	
1.3). Staff and student morale and wellbeing		<div><div>- A number of staff and students may decide to leave Bristol (and the UK) due to the uncertainty over their future here and a potential sense that they may not be welcome by wider British society. This would reduce our talent pool and the diversity of our community resulting in reputational damage and financial shortfalls</div></div>	<div><div>Uncertainty over the future arrangements beyond the end of the transition period (to December 2020) may cause staff and students to leave the UK over the next couple of years to locations where they have greater certainty over their future</div></div>	
2.0 <u>STUDENTS & EDUCATION</u>				
2.1). Immigration and uncertainty over fees		<div><div>UK Government has confirmed that EU students starting in 19/20 and 20/21 will remain eligible for Home fees and financial support offered to Home students, for the duration of their courses.</div></div>	<div><div>We have to assume that EU students will be treated in the same way as all international students. No ability to remain in the UK post study to work will impact our ability to attract EU students, especially at a postgraduate level.</div></div>	
2.2). Student mobility is key to providing an international experience, in particular for our modern language students (one of the largest Modern Language departments in the country c. 8% total students)		<div><div>Government has committed to underwriting funding for Erasmus to 2020; however, it is uncertainty over whether EU will let us use the same framework places parts of our student cohort at risk. More immediately, we will have a number of students living, studying and working in the EU who will require immediate clarity as to their immigration status in those countries</div><div>- Current Erasmus+ students are unable to complete their mobility period abroad due to change in immigration status or other issues - they have to leave the country - be re-accommodated back in the home institution - and are unable to transfer back full credits or grades for the mobility period, negatively impacting their academic progression. If make-up or additional assessments or modules are not an option, they may have to re-sit units, repeat years, or suspend their studies.</div><div>- EHIC cards will not be valid after 31 October 2019. Travel insurance will therefore be essential for students studying or working in the EU after that date.</div></div>	<div><div>UK's participation in Erasmus Plus beyond 2020 is not yet known; however, potential for the UK Government to negotiate future participation.</div></div>	
3.0 <u>RESEARCH</u>				
3.1). We currently receive c. £19m of research funding a year from the EU (c. 11% total activity)		<div><div>Funding for current projects under Horizon 2020 will end on 31st October 2019 if there is no deal. Government has committed to underwriting existing EU research grants to provide cover for the immediate period, but not clarified from where the funding will come from and whether there will be offsets elsewhere within the sector.</div><div>- Dip in funding and research activity until replacement sources of research funding are announced by the Government and/or alternatives can be found either from other funding bodies and/or internal subsidy (limited potential).</div></div>	<div><div>UK's participation in Horizon programme beyond 2020 is not yet known; however, potential for us to remain given the relative strength of the UK in research.</div></div>	
3.2). Key research partners may reduce their R&D activity in Bristol and/or UK leading to a reduction commercial research income and world class academics in related fields who underpin our excellence in teaching leading to a decline in both the educational and research standing of our departments.		<div><div>Risk that significant industrial partners such as Airbus and EDF move activities outside of the UK.</div></div>	<div><div>Risk that significant industrial partners will move their R&D activities out of the UK over time depending on how favourable the future trade deal is with the Eurozone, the attractiveness of doing business in the UK (Government incentives etc.) and the freedom of movement of people.</div></div>	
3.3). Potential restrictions on transferring research data		<div><div>Immediate threat to delivering against research contracts if we are unable to receive personal data across the European border with research partners</div><div>- Sudden decline in the attractiveness of Bristol as a research partner</div></div>	<div><div>Data regulations are likely to be negotiated as part of future agreements</div></div>	
3.4). Recognition of UK qualifications		<div><div>Mutual recognition in relation to regulated professions coming to the UK will continue, but there will be no automatic recognition of those with UK qualifications seeking to work in the EU</div></div>	<div><div>It is important that arrangements agreed post the Brexit transition period make provision for the UK to either remain in the Bologna process or alternative arrangements are made to safeguard the recognition of UK qualifications in Europe</div></div>	

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4.0 <u>SUPPLY CHAIN</u>				
4.1). Movement of goods – the University is only an importer of goods from the EU (research equipment and general supplies); we do not export.		· Potential short-term issues as systems are put in place to facilitate the movement of goods from the EU into the UK.	· Availability of goods is unlikely to be impacted; the key risk will be increased cost due to increased import duties and/or devaluations in Sterling.	
4.2). Import duties / total cost of goods.		· Potential substantial increase in costs across a range of goods and services because of import duties being imposed and a potential reduction in the labour pool.	· Potential for costs to rise beyond the transition phases (2020) if a reasonable trade deal cannot be struck with the EU and/or labour migration cannot be facilitated at the required scale.	
4.3). Resilience of our key suppliers		· Increased cost of goods and services and/or labour may put extreme financial pressure on some of our suppliers with thin margins / weak Balance Sheets resulting in their failure and a loss of provision to the University. · Increased risk of recession in this scenario increasing the probability of supplier failure.	· Recessionary risks associated with the uncertainty of doing business in and with the UK during the transition period until future trading arrangements are determined will increase the risk of supplier failure.	
4.4). Sterling		· Potential further decline in Sterling in the short term. This will add to cost pressures, but is unlikely to be a material issue in isolation.		
4.5). Regulation		· Requirement to comply with EU regulations fall away. This is unlikely to provide any immediate opportunities for us.	· It is likely that existing EU regulations will need to be adhered to (at least on an equivalency basis) whether an EEA or Canada Plus type trade arrangement is established following the transition period.	
5.0 <u>PROSPERITY & ATTRACTIVENESS OF THE BRISTOL CITY REGION</u>				
5.1). As a civic University, the success of the City of Bristol and our institution are intertwined. One of the key factors underpinning the success of our recruitment of both staff and students is the vibrancy of the city. The financial success of the City of Bristol is largely underpinned by aerospace (see 3.2 above) and financial services; both industries that are potentially under significant threat because of Brexit. The City may become more dependent on its University.				
6.1). Endowments				
6.2). Pensions				

Brexit No Deal Business Continuity Activities

BUSINESS AREA or ACTIVITY	LEAD	DETAIL
Communications Plan	Dir External Relations	
Travel Policy	Dir HR	
Identify affected staff and students	Dir HR, Dir External Relations, Academic Registrar	
Student Catering	Dir RHS	
Utilities	Dir Estates	
Security	Dir Estates	
Supply chain	Dir Procurement	
Identify and implement best practice	Head of Planning	
Operational management	Chief Operating Officer, Faculty Managers	
Research	Dir RED	
Regulation, Policy, Political interpretation	Secs Office, School of Law	
Students	Academic Registrar	
Procurement	Dir Procurement	