



Northern Ireland
Assembly

Committee for The Executive Office

OFFICIAL REPORT (Hansard)

Brexit: Causeway Coast and Glens Borough Council

11 November 2020

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Colin McGrath (Chairperson)
Ms Martina Anderson
Mr Trevor Clarke
Mr Trevor Lunn
Mr George Robinson
Mr Pat Sheehan
Ms Emma Sheerin
Mr Christopher Stalford

Witnesses:

Alderman Mark Fielding	Causeway Coast and Glens Borough Council
Mr Aidan McPeake	Causeway Coast and Glens Borough Council

The Chairperson (Mr McGrath): I welcome Mark Fielding, who is the mayor of the council, and Aidan McPeake, who is the director of environmental services. I welcome both of you along. We will pass over to you and let you make a short introductory presentation, and then we will open it up to questions. Apologies that you are council number 11 of 11, which means that we may have heard a lot of what you will have to say, but even pulling out the commonality amongst that is very useful for us. We will pass over to you to make that presentation.

Alderman Mark Fielding (Causeway Coast and Glens Borough Council): First, I thank the Committee for the opportunity to present to you today. As you said, we may be number 11, but we regard ourselves as number one when it comes to being the premier tourist region. We are in an area that prides itself in being a great place to live, work and visit. The quality of life is what attracts people to this area. Very few areas can boast the richness and diversity of the landscape that this council area has to offer.

We are a council that borders the Republic of Ireland, be it by the sea, with Lough Foyle, so we border another EU country. Our area attracts thousands of visitors every year, as it is home to a number of very prestigious events, including international events. We have a coastline that goes from the west, in Lough Foyle, to the east, in Cushendall.

We put to councillors and departments in the council the main issues where we feel that Brexit would affect our council area. Those issues raised a number of questions, which Mr McPeake will raise. The first one is the economy. There are fears that businesses and industry will not have sufficient time to prepare for and implement new requirements before the end of this transition period. EU exit business readiness has been impacted significantly by the reprioritisation of efforts during the COVID-19 emergency.

Business owners have raised the following concerns: the potential impact on the supply chain for goods entering and leaving the area; increase in costs due to additional paperwork and compliance requirements; uncertainty over what will be required for small enterprises that sell direct, balancing the implications of selling cross border and also to GB and whether they will have to administer two different compliance systems; uncertainty as to whether the large UK chains will continue to trade in Northern Ireland; whether the costs of trading will increase due to additional paperwork and legislation; and queries from our food manufacturing and approved premises on health marks, labelling, etc, and clarity is required from the Food Standards Agency on how to interpret the guidance.

Providing sufficient capacity in GB to certify high-risk goods for export will be a massive challenge. Clarity is required as to what arrangements are being put in place to provide the required certification, including officers and IT systems for the official certification for high-risk foods not of animal origin.

The Causeway coast and glens depends significantly on tourist trade. A number of issues and concerns have been raised by the local tourism industry. These issues may be compounded by COVID-19 restrictions, which have had, and may continue to have for some time, a significant bearing on tourist destinations. In the short term, we have probably benefited from staycations and the domestic market. However, long term, the international market concerns us, because part of the hospitality sector depends on the international market. For example, the Giant's Causeway world heritage site depends on the international market. That has a knock-on effect on some of our small businesses such as coach tour operators, who depend on international visitors. COVID may prevent that now, but if COVID is not there, will it be Brexit? Will we be depending on a world trade agreement between the US, from where we get a lot of tourists, and the UK? Issues have been raised in relation to tourists' uncertainty about crossing the Northern Ireland/Republic of Ireland border. Will people see a demarcation in the holiday destination? Will they be uncertain whether they can cross from the Republic of Ireland to Northern Ireland? Will they have concerns about travelling and whether there will be too much regulation etc? There are issues with driving licences, hire-car insurance and ordinary car insurance for cross-border movement.

The third thing is agriculture. Causeway Coast and Glens Borough Council has a large agri-food industry. There are concerns among both farmers and business owners. They have raised a number of issues. Clarity is sought in relation to measures for the protection of our main Northern Ireland agri-food industry. Northern Ireland agri-food product labelling's requirement for trade agreements is unclear. Concerns have been raised that not all imports will have to meet UK welfare and environmental standards. Our standards are high, and we want those to be maintained. This puts farming and food products in jeopardy and will allow an opening for cheap imports that do not meet our welfare standards. How is this going to be overcome? Delays at ports and border crossing are likely to impact on traders dealing in just-in-time goods such as plants and flowers.

As I said, we have a port that borders the Republic of Ireland. The council owns a ferry terminal at Magilligan Point, which is a border-crossing point. It also owns a number of working harbours where EU-registered vessels dock and land their fish catch. Also, a number of cruise liners, while they do not actually dock in our harbours, let off passengers at our council harbours.

The fourth thing is waste. The council has responsibility for the collection and disposal of waste within the borough. Some of the waste is exported to the EU, including the Republic of Ireland, for treatment processes or recycling, as well as energy-from-waste products. Transboundary movements of waste will continue, as the UK will continue to be a Basel convention party and an OECD member. However, there is a concern about customs and border disruption. It is predicted that transit through customs will take longer. It is expected that a significant percentage of goods will be checked, leading to delays. Increases in haulage rates are likely, which may lead to council contracts incurring additional costs. There are also possible knock-on effects of any delays down the supply chain and storage issues, such as the storage time for refuse-derived fuel (RDF) before degradation occurs.

The economy, tourism, agriculture, transport and waste raise a number of questions that Mr McPeake, our environmental director, will address now.

Mr Aidan McPeake (Causeway Coast and Glens Borough Council): Members, thank you for the opportunity to present. Many of the issues that we experience will already have been raised by the councils that you listened to earlier this afternoon. Our focus has been on feedback from businesses, in which they have stated that COVID-19 has really taken up all their focus and, as a result, has impacted on their EU exit preparations. They have real concerns that they will not be ready in time for 1 January. Some of those concerns relate to a non-negotiated outcome on a free trade agreement with the EU and the trading of goods ending up being on WTO terms. In that scenario, the likely

impact on Northern Ireland businesses may be on market access and reduced competitiveness in export markets.

We also believe, and concerns have been raised, that there has been mixed messaging to businesses in Northern Ireland on how things will happen from 1 January onwards, and the standard communication strategy and some guidance has not been clear. Like those in other council areas, they have raised issues about the funding streams and what will replace current EU funding through the rural development programme, Peace funds, etc. Our council could see a reduction of between £14 million and £15 million over five years, based on that change.

As the mayor mentioned, tourism has been our primary focus for economic benefit. The issues that have been raised include the cross-border movement of people from the EU. Unlike in other council areas, those visitors, perhaps, arrive by boat to quite a number of our council-owned marinas. From an agriculture point of view, there are concerns about just-in-time goods. In particular, horticulture businesses that sell flowers have raised that issue to us. Earlier, Newry council representatives mentioned the fishing trawlers in the Mourne and Down area. In relation to transportation, there is also an issue for council-owned harbours.

In relation to waste, which is a primary function of the council that I am involved in, concerns have been raised about delay times at ports that may have an impact on waste goods going for further treatment at EU energy-from-waste facilities. Then, there is the issue of whether there is sufficient storage space at ports and border crossing points, and that may also cause delays. We also have procurement tenders that are due to go out, for which there may be EU bidders, and it those will be impacted upon as we go forward.

Thank you, members. Those are a few of the concerns that have been raised. I am happy to take any questions.

The Chairperson (Mr McGrath): Thank you very much for that very detailed presentation. We appreciate that. The presentation may have answered most of our questions.

Can I just check something with you? You referred to the large agricultural sector in the council area. Have you had any opportunities to bring the agricultural sector together to hear its views and to, then, pass those views on to Departments and the Executive? Do you feel that there is a sense that the views and concerns of various sectors are actually being listened to? Maybe they are not getting the outcome that they are looking for, but do they, at least, feel that there is a connection and a conduit for them to raise their views?

Mr McPeake: I am not sure that the environment is there for farmers to do that in a focused way. Generally, the feedback that we get is through our councillors. If concerns are brought to our attention, they go through our economic development section and on to central government via that route. They do not seem either to have engaged or to have been given the opportunity to engage as much as they would have liked. The mayor may have other aspects to add to that.

Alderman Fielding: As you know, the Department's headquarters is based in Ballykelly now. Agriculture is a big feature in our borough. We have some of the best dairy cow areas. We also have some rich agricultural land, and farming is a big thing in the Causeway area. It is something that we will probably need to address more and engage on as a result of what is being discussed today.

Ms Sheerin: Can I come in on that point, Chair? You were just talking about the agriculture industry. I am from Mid Ulster, and there are areas of my constituency that border your council area; I am thinking of the hill ground up in Dungiven and Claudy. I know that sheep farmers in my area are very worried about single farm payments and how those will go as we progress after leaving the EU. Have you had feedback from farmers on that side of the industry? What are their concerns?

Alderman Fielding: Some of our councillors who are farmers have contributed to that discussion. That is all that I can say.

Mr McPeake: The concerns are similar to the ones that you have in Mid Ulster. The single farm payment is certainly high on their agenda. They are concerned about the product, the standards and the possibility that cheaper products coming in will impact on their agri-food product. Those are genuine concerns. That is the feedback that we have had to date.

Alderman Fielding: Leaving aside farmers, the general public are concerned that standards will drop. We want to maintain the high standards that we have at the minute.

The Chairperson (Mr McGrath): OK. Thank you very much. Thank you, Emma, for that question. We will probably leave it there. Unfortunately, you are the last council to give evidence, so I think that we have recognised all the issues and teased out a lot of what you said in your presentation.

Is Martina looking to come in before we finish?

Ms Anderson: Thank you, Chair. I will try to be quick. I am interested in picking up on the point about the collection and disposal of waste, given that the environment is one of the battlefield areas of negotiation about a level playing field, which we hear a lot about, as well as what that means. One of the areas that have not been agreed is environmental protection. You talk about delays at ports. Given that the protocol gives you access to the South of Ireland, in the event of, for instance, no agreement on the environmental end of it and that resulting in massive delays at ports, have you looked at having another supply chain going through the South of Ireland, as opposed to the ports that you are currently using?

Mr McPeake: That is an option, and it is one of the contingency plans that have been put forward by our contractors who are delivering to the EU. Certainly, export from the South will be an option in that case.

Ms Anderson: There are many countries outside the 27 EU member states, and I am conscious that the British Government will have to do a deal-by-deal authorisation with 168 other countries, if they want a relationship with them. Those are third countries with which the EU already has a relationship and a trade agreement of one sort or another. Is it beyond even the EU that the disposal and collection of waste could be within your scope?

Mr McPeake: It is, because some of our recyclates are exported further afield and outside the EU. The residual or black-bin-type waste generally goes to EU energy-from-waste plants, but the recyclates that might be in your blue bin or box system can be exported anywhere in the world, through the contracts that we have in place.

Ms Anderson: Yes, I can understand the need for you to look for another pathway. If you were restricted by delays at ports and the consequences of that, the one thing that you know is that there will not be a harder border on the island of Ireland and you will have a pathway across this island, through the protocol, which, hopefully, in the long run, might provide some assistance.

I could ask you loads of questions, but the Chair will not let me *[Laughter.]*

The Chairperson (Mr McGrath): Indeed —.

Mr Stalford: Also there is an east-west route by virtue of the provisions in the Internal Market Bill.

The Chairperson (Mr McGrath): Yes. On that point, we thank Mark and Aidan for their presentation and information. We appreciate you giving up your time to present to us. Gentlemen, thank you very much indeed.

Alderman Fielding: Thank you.

The Chairperson (Mr McGrath): We will forward you any report that we do based on these sessions. Thank you.