

Round-up of activity: Board EU lobbying priorities, institutions and international activities

Purpose of report

For discussion and direction.

Summary

At an earlier meeting, European and International Board (E&I) Members requested a regular update on recent developments on each of our key priority topics. In addition, the Board routinely receives an update of recent developments in the European and international bodies to which it nominates members and on the LGA's international activities.

Recommendation

Members are asked to comment on the report and make any recommendations for officers to action.

Action

Officers to take action as directed by Members.

Contact officer: Ian Hughes
Position: Head of Programme
Phone no: 020 7664 3101
E-mail: ian.hughes@local.gov.uk

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A: BOARD EU LOBBYING PRIORITIES

EU structural funds 2014-2020

1. On 18 September 2012 a cross-party delegation of E&I Board Members, including the three lead members and the Chair, met 20 Members of European Parliament (MEPs) in the European Parliament to make the case for a more locally-responsive EU funding model. The visit raised the political profile of the LGA in the Parliament and provided a basis for follow up work ahead of key votes taking place in the Parliament before the end of the year. It also allowed local EU funding issues to be put on MEPs' radar so that they could influence their parliamentary colleagues in Westminster.
2. The decisions made in Whitehall around the management and delivery of EU funds is a critical issue for our member authorities. Ministers are expected to make decisions on this soon, so it is important local authorities are in a position to influence this since if funds cannot be drawn down in a timely or effective way, it will hinder their ability to deliver growth to local areas. To this end, the LGA organised a roundtable in mid-October for local authorities to test their plans with all four lead Whitehall departments (Business Innovation and Skills, Communities and Local Government, Work and Pensions and Environment, Fisheries and Rural Affairs) on how they would like to use future EU funds through existing / new delivery mechanisms, and what that could look like i.e. governance models / geographic coverage / buy-in from other councils and / or local partners. This LGA session put local authorities in good stead to develop their models further in time for the Government roadshows across England which conclude in December.
3. As part of the new working structures of the Council of European Municipalities and Regions (CEMR), the first meeting of the CEMR's Thematic Platform on Territorial Development took place on 10 October 2012 and brought together a mix of officers and politicians to steer the CEMR's work on EU funds and other related topics such as innovation and urban-rural links. On the same day, the CEMR held a successful event on community-led local development (CLLD) as part of the Committee of the Regions Open Days (CoR) 2012. CLLD is a new instrument proposed by the EU to give local community groups, councils and existing partnerships, a greater say over how EU funds are spent in their area. LGA is making the case to government that the use of CLLD should be fully explored alongside the other new instruments proposed to make EU funds more locally relevant.

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Procurement

4. Following meetings with the LGA, the local government Minister (Rt Hon Eric Pickles MP) has written to the Cabinet Office Minister (Rt Hon Francis Maude MP) to further press the local authority case for simpler EU procurement rules. In particular the letter calls for higher thresholds; a 'light' approach towards social services; exclusions for employee mutuals, legal services, and loan services; and an easier approach to sharing services generally. The next step is a committee vote in the European Parliament to take place by the end of the year. LGA and other European associations have good contact with several MEPs who are championing the local authority case in the discussions in the European Parliament.

Energy efficiency Directive

5. An agreement has been reached between the European Parliament, Commission and European Council that new energy efficiency legislation will not contain mandatory obligations towards local government. This results from a lengthy and effective lobbying campaign by the LGA, CoR and CEMR in Brussels and Whitehall.
6. To recall, the draft Directive proposed new measures on energy to bring the EU back on track to achieve a 20 per cent reduction in energy use by 2020. The most important aspect for local councils was the requirement to buy energy-efficient buildings, products and services, and to refurbish 3 per cent of their buildings each year to drastically reduce their energy consumption. This obligation will now apply to central government buildings and activities only, although local councils will be encouraged to achieve energy efficiencies on a voluntary basis.
7. Other contributions will be made by energy utilities (who must help end users to cut their energy consumption through replacement of old boilers or insulation of their homes); industry (large companies required to undertake energy audits every 3 years); and consumers (better information provided on their meters and bills).
8. The Directive must now be incorporated into UK law. LGA staff will monitor this process to ensure that no new obligations are reintroduced by UK civil servants.

Air quality review

9. There have been no developments since the last Board meeting.
10. The Commission is conducting a review of existing air quality rules, which is expected to result in strengthened targets on existing pollutants and a broadening of the scope to include new ones. The main objectives of the review are to assess progress towards achieving levels of air quality that do not give rise to significant negative impacts on human health and the environment, and to identify options - both regulatory and non-regulatory - that could improve implementation of existing policy and contribute towards the greening of the economy.

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11. The drafting of new EU targets is still some way off and now appears in the Commission work programme for 2013-14.

Working Time Directive

12. There have been no developments since the last Board meeting.
13. To recall, the Working Time Directive, implemented in the UK as the *Working Time Regulations 1998 (amended 2003)*, ensures that every worker is entitled to: a maximum 48 hour week; a minimum daily rest period; daily and weekly rest breaks; 4 weeks paid annual leave; and extra protection in the case of night work. Special rules apply for working time in a small range of sectors.
14. The EU has repeatedly sought to revise the Directive, and is currently consulting the social partners on various aspects that might feature in a new Directive: on-call time; timing of minimum rest periods; tackling excessive working hours; better reconciliation of work and family life; clarifying areas where the law appears unclear. The outcome of these negotiations is not yet known, but an update will be provided at the Board meeting.

Localism Act: EU financial sanctions

15. The LGA is now systematically invited to feed into an array of policy issues, and will need to manage the expectation that we will contribute to our priority issues only. The LGA has been invited by the Foreign Office to give its views on the 2013 work programme, which is welcome. Discussions with DCLG and FCO are ongoing on developing a summit.

B: INSTITUTIONS

Congress of the Council of Europe

16. The Congress of the Council of Europe has just started a new four-year term. The UK delegation was renewed on time and with 50 per cent gender parity (the LGA nominates 14 of the 18 UK places and an equivalent number of alternates). Keith Whitmore completed his term as Congress President and has now left the institution, with Cllr John Warmisham (Labour, Salford) taking a place on the Congress Bureau, its political steering body.
17. The UK Delegation met during the plenary session. The political group leaders had agreed shortly before the plenary that they would not continue the existing rotation by group, and requested that an election be held. Officers set in train an electoral procedure based on CoR precedent, and although this was agreed in writing by the group leaders, on the day it became clear that this did not have the support of all members, and it was agreed to defer the election to the January meeting in London. A formal consultation of the nominating bodies will now be conducted prior to launching a new process.

EU Committee of the Regions

18. The CoR held its annual Open Days event in October, attracting 5,000 local politicians, officials, EU staff, academics and local media to debate the future EU funding period and strategies to promote jobs and growth.
19. There are still several vacancies outstanding, although those dating back to 2011 and 2010 are expected to be ratified in Brussels within weeks of this meeting. LGA staff and members are continuing to press Whitehall departments to improve this procedure.

Council of European Municipalities and Regions

20. CEMR (the European LGA) held its triennial General Assembly in September 2012, attended by nearly 1000 local politicians and officers to discuss strategies to address the economic crisis.
21. The CEMR is currently preparing to close its Paris Office, for reasons of efficiency and effectiveness. The LGA has strongly supported this decision, a long-held wish of the UK section, but insists that it should be achieved at minimal cost to the CEMR and its subscribing associations (under EU and French law, staff cannot be compelled to move from Paris to Brussels, and must therefore be made redundant according to French terms and conditions). LGA members have called for an incremental closure to minimise or avoid redundancies.

C: INTERNATIONAL ACTIVITIES

UK and Mexican local government trade and investment links project

22. The success of the LGA UKTI Mexico Trade Opportunities reception (13 September 2012) and Cllr Richard Kemp's subsequent representation at the International "from the Local" Forum in San Luis Potosi, Mexico, (26-28 September 2012) has led to a number key developments in the last month.
23. Cllr Richard Kemp wrote to the Rt Hon Nick Clegg, Deputy Prime Minister and Rt Hon Vince Cable, Secretary of State, Department for Business, Innovation and Skills (BIS) to highlight the success of the Mexico initiative. The letter also calls for UKTI support for LGA to secure direct opportunities stemming from the project, and look at the potential of more local to local work to aid our trade opportunities.
24. In addition, LGA officers have scheduled discussions with UKTI representatives in mid-November and are developing an LGA 'offer' document, which will explore how the LGA aligns some of the work that councils are already doing locally with the national work of UKTI. Some key issues for us to discuss with UKTI include the huge potential for UK firms to gain business from emerging public-private partnerships to deliver services in developing economies. In many cases, initial UK contact seems to be council-to-council, with Mexico work as prime example.

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25. Officers will feedback on the discussions with UKTI and will also circulate a draft of offer document for comment.

African Peer Review Project

26. The LGA has been commissioned by United Cities & Local Governments Africa (UCLGA) through a programme funded by Luxembourg, to pilot peer review in five African countries.

27. Since June the LGA has now successfully supported UCLGA to deliver three pilot peer reviews; Otjiwarongo Municipality in Namibia, the National Association of Local Authorities of Ghana and the City of Yaoundé in Cameroon. The fourth peer review will be of the Ugandan LGA in November 2012.

28. The UK's model of self-regulation and peer challenge is highly regarded abroad as a transferable model of development to help enhance the capacity of local government abroad. So far the principles and methodology of the African peer review model have proven to be a valuable learning experience for the receiving organisations, as well as the UK and African peers.