

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

### **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.

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### **A: BOARD EU LOBBYING PRIORITIES**

#### **LGA response to the Balance of EU Competence review**

1. During the last meeting, Board members discussed the Government's two year *Balance of EU Competence review* with a representative from the Foreign and Commonwealth Office. The review is broad ranging aiming to assess the impact of the EU on the UK, covering 32 policy and legislative areas. Many local authority functions are affected by EU laws, which they comply with through UK Statutory Instruments or EU Regulations. These can have a significant, administrative, financial and regulatory impact.
2. The LGA responded to the Review since evidence suggested that more needs to be done to ensure the process of negotiating, transposing and implementing EU laws effectively engages local government. We recommend practical steps are taken to achieve this within the UK and in Brussels. Our response is attached in **Appendix A** and can be viewed online at <http://www.local.gov.uk/european-and-international>.

#### **Public Procurement**

3. The new EU procurement rules are scheduled to be agreed at EU level by the end of the year. The main discussions have concluded. The new rules are likely to come into force in the UK at a date to be determined by Government in late 2014 or 2015. The Cabinet Office is favouring an early implementation, as the new rules streamline the procurement process.
4. Gains from LGA lobbying in Brussels include: shorter procurement timescales; new abilities to pool services with neighbouring authorities; and a greater ability to negotiate with suppliers to ensure best value in public contracts.
5. The LGA's focus is now on consulting with councils on the implementation of the rules. Councils will need to amend some of their procurement processes. There are several important areas, such as awarding contracts in the field of social services, which have been left to Member States to decide how to implement and we will want to ensure no national 'gold plating' of EU regulations.
6. The LGA is also working closely with the Cabinet Office. The work is being led by the LGA's Improvement and Innovation Board, as part of the LGA's 'productivity' offer to councils.

#### **State aids (Airports)**

7. The EU has proposed new state aid rules, which would further limit the amount of public support that councils can give to finance local airport investments and operations. Several local authorities own or have a stake in their local airport.

**Item 4**

8. The LGA has been closely involved in a campaign, via the CEMR (Council of European Municipalities and Regions), to ensure vital public support to airports, particularly the smaller ones, will continue to be allowed in the future. The EU's proposals have caused concern as many airports feel their operations will no longer be viable without an element of public support.

**Environment (air quality)**

9. The latest annual compliance assessment published by DEFRA shows that 38 of the UK's 43 air quality zones exceeded the EU's annual average NO<sub>2</sub> limit of 40 µg/m<sup>3</sup>. (The European Commission granted nine UK zones extra time to comply with the limit, conditional on staying below 60µg/m<sup>3</sup>, which is no longer the case in five of the nine zones; this could invalidate the time extension in these areas).
10. Members will recall that since the introduction of the Localism Act, the Government can seek to pass an EU fine onto a local authority. However it is thought unlikely that the EU will act pending a case brought against the UK by a Non-Governmental Organisation (NGO), to be heard in the European Court of Justice in mid-2015.
11. It is recalled that the EU is currently consulting on a review of the 2008 Directive, with the possibility that a future Directive expected in 2015 could raise the targets and broaden the range of pollutants covered. As a formal consultative body the CEMR has been invited to contribute to the reflection: its position paper accepts the broad objectives of EU policy on air pollution, but stresses that polluters should pay rather than fine local councils for breaches that they cannot mitigate.

**Environment (waste)**

12. Similarly, the European Commission is reviewing its objectives and legislation in the field of waste management, an important duty for local councils, and has invited CEMR to comment. The LGA contributed substantially to the draft CEMR response, which again accepts the policy objectives, but challenges the raising of targets, insists on greater producer responsibility, and proposes allowing national governments and local councils to decide for themselves how to achieve agreed targets (subsidiarity principle).
13. One waste stream that is not explicitly covered by existing EU law is plastic waste. A new EU Directive is expected shortly to include, amongst other things, an EU-wide policy on charges for plastic shopping bags. The Committee of the Regions will shortly (9 October) adopt its opinion on plastic waste, drafted by LGA Member Cllr Linda Gillham (Independent, Runnymede BC).

**Roma**

14. The LGA set this as a watching brief. The European Commission is continuing to assess and identify good practice and effective approaches to Roma integration through National Integration Strategies. LGA Member Cllr Roger Stone is preparing a report for the Committee of the Regions for adoption in December 2013.

**Item 4**

**Board priorities on which there have been no developments since the last meeting (July 2013)**

15. Working Time Directive: the European Commission is continuing to consider whether to launch a new proposal.
16. Institutions for Occupational Retirement Provision (IORPs): the results of a stakeholder consultation were published in July 2013. A formal proposal does not seem imminent.

**B: INSTITUTIONS**

17. The Board takes responsibility for a number of external bodies where UK local government has formal representation. These bodies include:
  - 17.1. The EU Committee of Regions;
  - 17.2. Congress of the Council of Europe;
  - 17.3. CEMR (the European LGA);
  - 17.4. CLGF (the Commonwealth LGA); and
  - 17.5. UCLG (the world LGA).

**Congress of the Council of Europe**

18. The Congress is the local and regional arm of the Council of Europe. It: scrutinises local democracy in Member States through peer review against set benchmarks; promotes good governance; defends the rule of law and the application of human rights at the sub-national level; promotes exchange of experience in key policy areas.
19. The main item on the Congress work programme with particular relevance to LGA is the on-going peer review of local democracy in the UK. This was debated at previous meetings of this Board. Following the May fact-finding visit to LGA, Yorkshire and Scotland, Congress will conduct a second visit in November to meet UK Ministers, parliamentarians, WLGA and NILGA. The draft recommendations will follow shortly after for adoption in March 2014.
20. The October 2013 plenary session, besides adopting peer reviews on local democracy (Albania, Denmark, Hungary, Ireland, Ukraine), will focus on local and regional responses to the economic crisis; local strategies to combat extremism; migrant entrepreneurship; and a strengthened approach to local election observation.

**EU Committee of the Regions**

21. The CoR is an advisory body of the EU. Comprising 350 local and regional politicians from across the EU, it defends the interests of local councils in formal EU decision-making.
22. LGA nominations to fill post-May vacancies appear to have stalled over the summer break, with a change of FCO personnel also delaying the process. LGA officers are chasing progress.

**Item 4**

23. The October plenary session will adopt two reports by UK rapporteurs on adaptation to climate change and on plastic waste. The plenary will be addressed by President Barroso, the Regional Policy Commissioner (re implementation of funding programmes from 2014) and the Chair of the EP Regional Policy Committee.

**Council of European Municipalities & Regions (CEMR)**

24. The CEMR is the European LGA, its members are the 40+ national LGAs from across Europe, collectively representing over 100,000 local councils. The CEMR is formally consulted by the European Commission on issues likely to affect local government at an early stage in the preparation of new laws, making it an influential advocate. The LGA contributes substantially to its positions.

25. The current CEMR three-year term ends in December 2013. The UK has seven full and alternate places on the Policy Committee which oversees the work of this organisation, of which the LGA nominates 4+4 and by convention nominates the Delegation Leader who sits on the Executive Bureau. Group offices are currently managing this process.

26. The CEMR Policy Committee in December will also set the budget for 2014, which foresees a continuing freeze on the subscriptions of the largest contributors, including UK.