

## **European & International Board – report from Cllr Dave Wilcox OBE (Chair)**

### **Delivering Our Lobbying Priorities**

1. The past couple of weeks have been very active for those of us in the world of local government, with the Spending Review announcement on 26 and 27 June and the LGA Annual Conference on 2 – 4 July. Specifically from a European and internationally perspective, the Spending Review included significant details relating to the 2014-2020 EU funding programmes and the LGA Annual Conference brought to the fore the cross cutting nature of much of the Board's work, with many of the conference workshops and sessions having European and International perspectives.

### **Spending Review: EU Funding 2014 – 2020**

2. The Chief Secretary to the Treasury's speech on the government's infrastructure plan included several announcements relating to EU funding. These included: the notional allocations to Local Enterprise Partnership (LEP) areas; confirmation that top-slicing would be minimised to just over 4 per cent; the devolution of European Social Fund (ESF); and the allocation of £170 million of ESF match skills funding into the Single Local Growth Fund for 2015/16.
3. I am pleased to say that this represents a real success for the sector and for the work of the Board, which has made a sustained long-term case for devolving 2014-2020 EU funds. These developments have the potential to give all local partners the kind of influence that they did not have in the 2007-2013 programmes. Despite these major positive developments, it is however still disappointing that the Ministerial decision in February to re-allocate £784 million from the England programme into the Devolved Administrations still stands, thereby reducing LEP allocations by around 13 per cent.

### **EU VAT rules**

4. Our European Association, the Council of European Municipalities and Regions (CEMR), have written to the European Commission to underline the important role of local government in any future VAT reforms affecting the VAT treatment of public bodies. Whilst there are no imminent legislative proposals, some lobbying groups are placing pressure on the Commission to come forward with reforms in the next legislative period. Such reforms may be detrimental to the current system which allows councils to recover the majority of VAT they incur when delivering public services.

### **International Links: Learning and Sharing**

#### **Council's role in supporting International Trade and Investment**

5. The LGA has made a strong case that local government has a central role to play in attracting inward investment and supporting export activity, and this message has resonated with Ministers and Civil Servants alike. Our successful work has created strong interest and demand from UK Trade and Investment (UKTI) to engage and work with us on this issue. One key example of this was the participation of UKTI in a session at the LGA Annual Conference to promote this collaboration. Cllr Tony Ball (Vice Chair of Economy and Transport Board) also spoke at this meeting and set out the innovative work that was taking place in his council, Basildon.

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6. Sir Merrick Cockell also met with Lord Green of Hurstpierpoint, Minister of State for Trade and Investment on 25 June, to discuss developing a more strategic relationship between the LGA and UKTI. This was a very positive discussion, in which the Minister explicitly recognised the value of UKTI supporting the local government sector in a more systematic manner. It was agreed that the LGA and UKTI will follow up this discussion and itemise a six-point action plan for council/UKTI collaboration. I look forward to bringing you updates on progress as this work develops.

**Congress Peer Review of UK Democracy**

7. A five person delegation from the Congress of the Council of Europe (CoE) visited the LGA at the end of May as part of the peer review of local democracy in the UK. The rapporteurs met with the LGA Chairman and Leaders, including the Board's Vice Chair Cllr Richard Kemp, and visited councils, including Hackney and Leeds. Leaders raised a series of issues with the delegation including sustainable local government finance. I will be meeting with the rapporteurs upon their return visit later in the year.

**African Peer Review Project**

8. I was pleased to have the opportunity to reflect on the success, challenges and learning from the African Peer Review Project. As part of the internal evaluation of the project, on 11 – 12 June the LGA hosted the Secretary General of United Cities and Local Governments Africa (UCLGA) Jean Pierre Elong Mbassi. This was a valuable opportunity for Jean Pierre to receive feedback from the UK peers who took part in the African peer reviews and for us to discuss future collaboration between UCLGA and the LGA. Our pioneering programme has created significant demand across Africa, and UCLGA are pursuing discussions with a number of international partners for further commissioning opportunities for the LGA.

**Commonwealth Local Government Forum and United Cities & Local Governments**

9. On 11 June, along with the other Lead Members of the Board, I meet with Mr Carl Wright, the Secretary General of the Commonwealth Local Government Forum (CLGF). The meeting provided an opportunity to discuss some of the recent developments in the Commonwealth and EU relating to a more localist approach to international development. We will be discussing these issues further at our July Board meeting, so I look forward to being able to report back to you more fully next month.
10. In addition to this, from the 5-7 June, I attended the Executive Bureau meeting of United Cities & Local Governments (UCLG). It provided an opportunity to meet with a number of our European and African partners to discuss joint lobbying efforts and potential funding opportunities for international improvement programmes at the local level, particularly in light of the recent EU Communication on empowering local authorities in international development.

**Representation on European Bodies**

11. A number of vacancies on the UK Delegation of the Committee of the Regions (CoR) have recently been filled. Following an e-election, Cllr Gordon Keymer CBE was elected as UK Delegation Leader and Cllr Kay Twitchen OBE (Conservative) was elected unopposed to the role of UK Vice President. May I congratulate both Members on their appointments and wish them well for the remainder of their terms in office.

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