

24 May 2012

Item 4

EU Funds post 2013

Purpose of report

For discussion and direction.

Summary

This report updates members on current lobbying activities related to EU funds. It also proposes a lobby strategy to steer the ongoing work during 2012 and 2013.

Recommendation

Members are asked to comment on the report, approve the lobby strategy, and provide a steer to current lobbying work.

Action

Officers to forward any actions as directed by Members.

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EU Funds post 2013

Update and lobbying strategy

1. The European Union structural funds typically support economic and skills development activity, and are regularly accessed by local authorities to help realise local ambitions.
2. The funds are worth over £8 billion to the UK between 2007-2013 period, which, once match-funded, represents a potential total investment over £16 billion. They include the European Regional Development Fund (ERDF) and the European Social Fund (ESF). Further investment opportunities are available to councils through the EU's Rural Development Programme for England, and a range of thematic EU funds.
3. 2012 is a crucial year in determining what the funds will look like from 2014-2020, and what role councils can play in using them. The LGA continues to play a leading role in discussions with European institutions and the UK Government to ensure that councils are able to lead, shape and use these funds in whatever way is most appropriate for their area.
4. An informal member-level task and finish group continues to lead LGA lobbying on EU funding, based on agreed position by this and the European Board. The group includes members from both Boards. The agreed objectives are to:
 - 4.1 protect investment and maximise the take from EU funds for local areas
 - 4.2 ensure councils play a leading role in the negotiation and establishment of the new programmes
 - 4.3 articulate and push the case for new delivery models that enable local partners to join-up EU funds with all investments in their areas
5. One of the key issues of concern amongst councils is there could be a centralisation of delivery of EU funds from Whitehall, as a result of the demise of the RDAs. The LGA has been advocating a localist approach with council-level and sub-regional delivery.
6. This paper updates on work to date, and sets out some recommendations for progressing next steps.

Update on recent work

7. Members continue to lead work in both Whitehall and Brussels to influence the progress of the EU fund negotiations, spending decisions and management arrangements. Recent lobbying is detailed below.
8. In Whitehall:
 - 8.1 Submission of written and oral evidence, given by Cllr Peter Box, to the CLG Select Committee inquiry into the functioning of ERDF – including some press coverage.
 - 8.2 Delegation of members, including Cllr Guy Nicholson, met Commissioner Hahn (who is responsible for the delivery of EU funds) in London – making the case for locally shaped spending in the future, with councils playing a leading role in spending EU funds.
 - 8.3 Secured two local authority secondments to the Department for Business, Innovation and Skills to join the UK negotiating team for future EU funding programmes in England.
 - 8.4 Responded to UK Government informal consultation on how to deliver EU billions from 2014 – 2020.
 - 8.5 House of Lords EU Committee report supportive of structural funds, and the roles for local authorities.
 - 8.6 Creation of an online Knowledge Hub to bring local authority members and officers together to discuss and develop approaches to using the funds, and to build an evidence case for local and sub-regional delivery models.
9. In Brussels:
 - 9.1 Worked with MEPs, including proposing amendments to reports currently under negotiation in the European Parliament.
 - 9.2 Continued joint lobbying with other European LGAs to develop and push for a coherent EU local government message in Brussels.
 - 9.3 Worked with the European Commission on a ‘code of good practice’ on partnership working toward national governments, ensuring they work closely with local government in design and delivery of funds.

- 9.4 Continued work through the Committee of Regions to promote the value of strong local leadership within the EU funds

Looking ahead – lobbying strategy

10. Members are asked to consider and comment on the proposed next steps, to be taken forward. The legislative timetable for the reform stretches into 2013, so we have to maintain a consistent lobby to make the case for investment into the UK and for the local delivery of funds.

11. Making the 'local' case in Whitehall:

11.1 Articulate and push the case for new delivery models that enable local partners to join-up EU funds with all investments in their areas, such as integrating EU funds into City Deals, into Local Enterprise Partnership strategies, and into local authority investment plans for their place – to be set out in a report launched by September. The report has been requested by both BIS and CLG to influence how EU funds are delivered in future.

11.2 Member meeting with UK Government Ministers to discuss and take forward local authority approaches following responses to the BIS consultation, including with Mark Prisk, Chris Grayling, and Baroness Hanham.

11.3 Mobilise the sector and build evidence case to show how local authorities can join-up spending in their areas to deliver better outcomes and efficiencies.

12. Protecting investment in Brussels:

12.1 Continued member representation and pressure on MEPs and the European Commission, including through the Committee of Regions and Council of European Municipalities and Regions.

13. Officers would be keen to support members of the Board wanting to more directly engage their councils in this work, such as supporting them to:

13.1 Work with the LA secondments in BIS, which have been secured by the LGA to ensure government properly engages local government in determining how to spend EU billions in the future. Members may wish to invite them to sub-regional meetings or to a future Board meeting.

13.2 Provide evidence and examples of how local authorities have engaged with EU programmes.

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13.3 Consider and develop models for local authorities to engage and shape investment from the EU funds in their areas

13.4 Ensure local MEP or MPs are briefed on these issues.

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