

Update on other Board Business

Purpose of report

Members to note the following:

- Board Programme Plan update (**Appendix A**)
- EU Draft Energy Efficiency Directive (**Appendix B**)
- Changes to financial incentives for solar power: consultation on the Feed-in Tariffs Scheme (**Appendix C**)
- Localism Bill achievements
- Metal Theft
- Waste Collection
- Any other Business

Recommendation

Members to **note** the reports.

Action

As directed by Members.

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Board Programme Plan update

1. **Appendix A** to this report outlines progress with the Board's programme of work. This in turn reflects the priorities agreed at the Board's first meeting in this cycle.

EU Draft Energy Efficiency Directive

2. The draft EU Energy Efficiency Directive has significant implications for local authorities concerning the establishment of a 3% annual target for the renovation of public buildings up to a high level of energy efficiency. It also contains an obligation on public bodies to purchase only products, services including rental of buildings with high energy efficient performance. The changes would apply from 2014.
3. The LGA have agreed a position statement (attached as **Appendix B**) which in summary asks that any requirement to meet renovation targets on council owned buildings is matched by equivalent financial resources. This could be drawn from structural funds (such as European Regional Development Funds), other public finance, or via specific targeting of revenue raised through the UK Energy Company Obligation. On the procurement item it suggests that the Directive be focussed on providing guidance for local authorities on the value of energy efficient products rather than imposing compulsory criteria.
4. The draft Directive is currently in its first reading in the European Parliament. The LGA Brussels office is working with MEPs in order to raise amendments to support our position. The LGA Westminster team have been liaising with DECC (the lead department), DCLG and DEFRA officials in advance of a Council of Ministers orientation debate in late November which will set the tone for the formal Council of Ministers debate in the new year. The second and third readings will take place subsequently in 2012.

Localism Bill achievements

5. The Localism Bill finished its formal parliamentary stages on 31 October with the Third Reading in the House of Lords. This brought to an end a long parliamentary campaign by the LGA to amend the legislation in line with the steer from Members. The broad focus of the Bill meant achievements were wide ranging in nature, although there were a number specifically related to environment and housing matters which are of particular interest.

EU Fines

6. Under the original drafting, the Bill gave Government the power to arbitrarily pass on EU fines, given to the UK as a whole, to individual councils which Ministers decided were responsible for some, or all, of the fine.

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7. After lobbying by the LGA, the EU fines section has been completely changed. A Minister will now have to lay before both Houses of Parliament, on a case-by-case basis, their intention in regard to every council they wish to pass on a fine to, which will then be subject to a vote in both Houses. An independent panel will also scrutinise and advise on any suggested fine, with some members of the panel nominated by local government. The Government has furthermore committed to a statutory statement of policy, a draft of which has been prepared by the LGA and DCLG, and which Government is due to consult on. Amongst other things, this draft statement gives councils a powerful role in the negotiation and transposition of EU laws, and officers are working to ensure the draft is not diluted.

Local Referendums and Community Right to Challenge

8. When introduced into Parliament, the Bill required local authorities to hold a non-binding referendum on any "local matter" if a petition of 5% of residents was submitted, with the Secretary of State given powers to set associated details. Following pressure from the LGA, Government committed, in the House of Lords, to remove provisions around local referendums.
9. The original Bill also permitted the Secretary of State to decree all the practicalities of how 'Community Right to Challenge' would work locally, including the timings for communities getting their submissions in and how. In the House of Lords stages the LGA successfully secured Government amendments to delete powers originally proposed for the Secretary of State in respect to timings, with authorities instead allowed to decide for themselves.

Assets of Community Value and Neighbourhood Planning

10. Under the original drafting, in respect to 'Assets of Community Value', the Secretary of State would dictate how a list of assets would look, how a council could amend it, and how they would contact people who owned assets that were, or were not, added to the list. Following LGA lobbying, the Government amended the definition of an "asset of community value" and deleted some of the regulation-making powers given to the Secretary of State (such as the power to detail further issues for local authorities to take into account when considering whether to accept a nomination).
11. The Bill also introduced new neighbourhood forums, made up of at least 3 local people, which would have the power to submit neighbourhood plans and neighbourhood development orders designed to fast-track planning applications supported by the community. There were no powers for local authorities to ensure that forums operated fairly or to de-designate them if they didn't fulfil their functions.
12. Following pressure from the LGA and supportive parliamentarians, neighbourhood forums will now incorporate a minimum of 21 people and can

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include representatives of local business interests. Councillors will have the right to sit on neighbourhood forums if they wish to and councils will have the power to de-designate neighbourhood forums if they no longer fulfil their function. Councils will also be able to take representativeness and transparency, amongst other things, into account when deciding on applications to become neighbourhood forums, and act as examiners for the purposes of assessing neighbourhood planning and orders.

Metal Theft

13. Metal theft has been increasing due to increases in global commodity prices. Thefts have been on the rise by as much as 50% and have been causing significant delays to train services, disruption to power and communication networks. The costs of these thefts have been estimated as anywhere between £220-260 million and £770 million a year based on research by Deloitte in 2011 and the Association of Chief Police Officers in 2010 respectively.
14. It is estimated that it costs councils £4.6 million a year to replace street furniture which is stolen for its metal content. Theft of lead from churches is now so frequent that the loss of metal from churches is becoming uninsurable, and plaques from war memorials have also been stolen.
15. Because the value of metal is only released once it is sold the focus of attention has been on scrap metal dealers, of which there are 3,600 in England and Wales.
16. Scrap metal dealers are currently subject to two different sets of legislation:
 - 15.1 The Scrap Metal Dealers Act 1964 requires councils (which is the district council in two-tier areas) to license scrap metal dealers and requires dealers to keep a record of transactions with names and addresses. Councils enforce this regime but there were only 18 prosecutions for breach of the Act by councils in 2010.
 - 15.2 Environmental Permitting Regulations, which requires a permit or exemption for all scrap metal dealers sites via the Environment Agency. However many dealers are small enough to claim exemptions which are not as proactively inspected by the Environment Agency due to limited resources.
17. Deliberations in Government acknowledge the limitations of both regimes although the appetite for Government sponsored primary legislation is limited as no space can be found in the parliamentary schedule in this or the next session. Amongst the changes the Government could make would be a new licensing regime with similarities to that for alcohol licensing with powers to refuse or revoke licences, requirements on traders to satisfy themselves they are not buying stolen material, restrictions on trading, higher fines for breaches of the law

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and regulations, providing the police with powers of entry onto dealers yards, allowing the police to close down yards, and merging or streamlining legislation.

18. Discussions on the issue have taken place between the Chair of the Safer and Stronger Communities Board and members of the Environment and Housing Board and also between Cllr Parsons and Caroline Spelman. The current LGA strategy is to make the case for metal theft to be tackled at a local level on a multi-agency basis, with councils having a key role to play in this work. In bringing this about the LGA will continue to explore with the Home Office and DEFRA the most effective way of strengthening the licensing and regulatory regime.
19. Immediate next steps are to seek feedback from the sector about current recording and enforcement as part of the Scrap Metal Dealers Act and on to obtain further information on cost of the issue to councils. In addition articles are planned for the LGA's First magazine highlighting examples of the impact of the issue and what councils are doing to combat the problem. Later in November the Energy Networks Association will launch a private members bill on the subject which will provide the opportunity to test the views of wider stakeholders.

Waste Collection

20. The Department for Communities and Local Government (DCLG) has announced that it is making a £250 million 'Weekly Collections Support Scheme' fund available for councils to apply for if they want to increase the frequency of their bin collection service. Initial information on the criteria is that bids should increase recycling rates, or provide other environmental benefits, or improve value for money.
21. The LGA carried out a feedback exercise to find out what councils are likely to bid for which had 55 responses. This indicated that the majority of respondees (51%) would bid for weekly food waste collection, with 22% indicating they would bid to support their current weekly residual collection. 53% indicated that they would bid for food waste collection instead of weekly residual collection if the fund allowed them to.
22. A paper will be prepared for submission to DCLG and DEFRA that summarises this feedback and provides additional sector views on how the criteria on the fund could be set. The aim is to seek a wide scope for the funding in advance of further announcements before Christmas and launch of the bidding process in January/ February.