

20 January 2011

Item 6

Current and forthcoming priority issues

Summary

This report updates members on the EU-local 'working summit' to take place in Brussels, 25 Jan 2011; work to reduce UK fees to the European LGA; work on government proposals to pass EU fines onto councils under the Localism Bill

Recommendations

Members are asked to note and comment on the report.

Contact officer: Ian Hughes
Position: European & International Programme Director, LGA
Phone no: 020 7664 3101
E-mail: ian.hughes@local.gov.uk

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Current and forthcoming priority issues

EU-Local 'working summit', Brussels 25 Jan 2011

1. A number of Board members will be involved in the EU-Local 'working summit' which will take place in Brussels on the afternoon of 25 Jan 2011. The purpose of the annual summit between UK local government, UK civil servants in Brussels, MEPs and Commissioners is to highlight the proposed EU legislation which will have the biggest impact on councils and to ensure a "Team UK" approach on lobbying.
2. The event will involve all four of the UK's associations of local government: LGA, WLGA, COSLA, NILGA.
3. The meeting will look at four key issues:
 - 3.1 UK local government's EU priorities for 2011
 - 3.2 the EU's priorities in future work programmes
 - 3.3 the impact of legislation in the following specific areas: working time, environment, waste, energy, & procurement
 - 3.4 the future of EU structural funds and EU budget entering a critical stage of negotiation in 2011
4. It will be particularly important to ensure that EU decision makers are aware of the tough financial climate for councils and the need for proper financial "impact assessment" against all future EU proposals.

Work at European institutions

5. At the last European and international Board, members discussed the future strategy of the European LGA (CEMR) which brings together local government in Brussels for common lobbying objectives. One key issue was the need to reduce UK fees in light of the future financial restraints on councils. The need for a "negotiated" fee with UK associations was agreed by the CEMR policy Board in December. The other three UK associations are backing the LGA lobby and LGA officers are meeting for Secretary General of the CEMR on 13 January to agree a fee for 2011. There will be a report back at the meeting.
6. The UK delegations to both Committee of Regions and Congress held their annual meetings on 10 and 11 January to set priorities for the coming year. Again there will be a report back at the meeting.

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Government proposals to pass EU fines onto councils under the Localism Bill

7. The Localism Bill currently before Parliament proposes an 'EU fines clause'. This clause gives Ministers the power to devolve to local authorities, part-payment of any fine passed down from the European Court of Justice (ECJ) for the UK's failure to comply with legal obligations under the EU Treaty.
8. The clause would apply to all future and past EU Directives. DCLG believes the clause is in line with the Localism Bill's new General Power of Competence for local government.
9. To date, the ECJ has actually never imposed any fine against the UK. Fines are apportioned on the severity and duration of the infringement, and the ability on which a Member State can pay (based on GDP).

LGA view

10. The LGA will oppose this clause and has called for its complete removal from the Bill, on the grounds that it is unfair, unworkable, dangerous for local economies and unconstitutional. The LGA believes that the priority should be preventing fines from being given in the first place. National government negotiates and signs up to EU laws, yet never adequately consults the sector on the impact these laws might have, or the challenges they may create.

Next steps

11. An update will be provided at the Board meeting on this issue, with information on the second reading of the Bill which takes place on 17 January, on which all MPs have been briefed accordingly.