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Member lobbying strategies 2012

Purpose

For discussion and direction.

Summary

- The following pages set out, for each of the lobbying priorities identified by the European and International Board, a lobbying strategy setting out the policy background and context; LGA lead Board; key LGA messages to pursue; potential avenues for member involvement in the campaign; and next steps.
- 2. This paper is circulated in advance of the Board meeting, and is to be considered in association with the paper on the LGA business plan (Agenda item 1).
- 3. The strategies covered are:
 - 3.1 Reform of EU public procurement rules.
 - 3.2 Directive on energy efficiency.
 - 3.3 Future EU funding 2014-2020, including structural funds.
 - 3.4 Revision of the Working Time Directive.
 - 3.5 Review of EU air quality policy and regulations.
- 4. The issue of EU fines is discussed separately.
- 5. Members asked officers to map contacts with parliamentarians in Brussels and the UK. The outcome of this exercise, which will be for internal use, is at the end of this document.

Recommendations

- 1. Members are asked to note the paper and consider how to pursue member involvement in the strategies.
- 2. Members are encouraged to continually update the parliamentary contacts list.

Contact officer: Ian Hughes

Position: Head of Programmes, LGA

Phone no: 020 7664 3113



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E-mail: <u>ian.hughes@local.gov.uk</u>



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Reform of EU procurement rules - member lobby strategy

Summary

- 1. The EU is proposing a new law governing councils' procurements. Whilst there are some welcome simplifications in response to local government lobbying, the proposals also introduce several new burdens on councils which are unwelcome at this time. These include new advertising requirements for social services and legal services, and no clear exclusion for sharing services within the public sector.
- 2. We are seeking a simpler, more flexible legislative framework at EU level, in line with the need for councils to make significant productivity and efficiency gains.

LGA governance

3. The work is led by the Improvement Board as part of the LGA's wider procurement work under 'productivity programme'. The programme encourages local government efficiencies in the face of budget cuts.

Key messages

- 4. The key messages members could promote are:
 - 4.1 new burdens when commissioning social services and legal services are unwelcome:
 - 4.2 a restrictive interpretation of shared services in the proposal needs to be amended:
 - 4.3 rules should not be applied when councils seek credit/loan financing;
 - 4.4 an exemption is required for staff 'mutuals' who will now fall under the rules;
 - 4.5 more consideration needs to be given to the 'community right to challenge' introduced by the Localism Act 2011, and how it links with the procurement rules:
 - 4.6 proposals for new monitoring bodies at national level to police the enforcement of the rules should be rejected;
 - 4.7 burdensome reporting obligations: sending copies of all large contracts to the new monitoring body, should be rejected;
 - 4.8 councils should give greater consideration to splitting up contracts to help SMEs, and be prepared to explain if contracts have not been disaggregated; and
 - 4.9 councils should speed up efforts to fully implement e-procurement.

Member involvement

5. Opportunities for further member involvement include:



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- 5.1 meeting with key MEPs on the topic, potentially as part of the proposed member-led lobby visit to Brussels during September 2012 or coinciding with CoR committee meetings: Malcolm Harbour (Chair, Conservative); Catherine Stihler (Scottish Labour);
- 5.2 meetings with senior civil servants or being part of any ministerial meetings arising from the LGAs 'productivity programme';
- 5.3 stronger member involvement in CEMR policy committees and encourage CEMR to make greater use of its Executive Vice Presidents;
- 5.4 stronger member involvement in the CoR (ECOS commission) including tabling of more amendments to relevant opinions; and
- 5.5 media opportunities as they arise.

Next steps

- 6. During 2012 the proposals are being negotiated by the European Parliament and national governments. The aim is for agreement by the end of the year with the new rules coming into force on 30 June 2014.
- 7. The next steps during the remainder of 2012 are to ensure the legislative amendments to be tabled by the European Parliament and the Council closely reflect the local government position, as endorsed by LGA members. During 2013, if negotiations proceed as planned, the focus will shift to raising awareness of the new framework amongst councils; ensuring a common understanding; and ensuring councils are compliant in their implementation.

Officer contacts

LGA London: Siobhan Coughlan <u>siobhan.coughlan@local.gov.uk</u>
LGA Brussels: Dominic Rowles <u>dominic.rowles@local.gov.uk</u>



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Energy Efficiency Directive - member lobby strategy

Summary

- The EU has published a draft law on energy efficiency, which imposes binding targets.
 The Directive is part of a wider strategy to achieve 20% primary energy savings by 2020,
 the objectives being to tackle the causes of climate change, promote resource-efficient
 growth, and to improve security of supply.
- 2. Whilst we acknowledge the potential benefits of a more energy-efficient economy, we are concerned that councils will not be able to achieve the binding targets imposed by the EU and will thereby be exposed to possible EU fines.

LGA governance

3. The work is led by the LGA Environment Board.

Key messages

- 4. The key messages members could promote are:
 - 4.1 local government supports EU policy to promote greater energy efficiency, and accepts that there are potential budget savings that could accrue in the longer-term from investment in renovation;
 - 4.2 we are concerned however that the EU is setting mandatory rules for how each country achieves its reduction, rather than leave this to each country to achieve:
 - 4.3 councils will be obliged to renovate at least 3% of their properties annually; whilst a laudible aim, making this a binding target (implying the possibility of fines for non-achievement) is not appropriate given councils' budgetary constraints;
 - 4.4 councils will be obliged to purchase the most energy-efficient supplies available (possibly overriding cost considerations);
 - 4.5 councils will be obliged to verify that their suppliers are themselves in compliance with the new law (contract compliance); and
 - 4.6 annual reporting requirements will lead to new administrative burdens and costs.

Member involvement

- 5. As the EU decision-making process moves towards a conclusion, opportunities for further member involvement become more limited and more UK-focused:
 - 5.1 meetings with senior civil servants or being part of any ministerial meetings to maintain UK line in Council of Ministers;
 - 5.2 contacts with MPs/peers on relevant committees for transposition into UK law



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- 5.3 continuing vigilance in the CoR to ensure a consistent line, including tabling of more amendments to relevant opinions; and
- 5.4 media opportunities as arise.

Next steps

- 6. The current position is that EU Member States (Council of Ministers) largely support the LGA line of taking local government out of the Directive, at least in terms of the renovation targets. We believe that UK Government Ministers and civil service have been helpful in promoting the LGA line within Council. The European Parliament however takes a stronger line, as it generally does, whilst agreeing to exempt historic buildings from renovation (eg historic town halls). A decision is expected in the next two months.
- 7. Once the EU Directive is adopted in Brussels, it moves to the UK Parliament for transposition into EU law and implementation within 18 months (ie end-2013).

Officer contacts

LGA London: Dan McCartney <u>dan.mccartney@local.gov.uk</u>
LGA Brussels: Richard Kitt <u>richard.kitt@local.gov.uk</u>



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EU funding 2014-20 - member lobby strategy

Summary

- 1. The EU 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-supported 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.

LGA governance

4. The work is lead by the Economy and Transport Board and the European and International Board, via an informal member 'task and finish' group.

Key messages

- 5. The key areas to focus on are:
 - 5.1 the need to protect investment and maximise the benefit from EU funds for local areas;
 - 5.2 ensure councils play a leading role in the negotiation and establishment of the new programmes; and
 - 5.3 articulate and push the case for new delivery models that enable local partners to integrate EU funds with other investments in their areas.

Member involvement

- 6. The informal task group continues to lead LGA lobbying on EU funding. It is proposed that the task group should focus on:
- 7. Protecting investment in Brussels:
 - 7.1 Member-led lobby visit to Brussels during September, including sessions with MEPs and the European Commission; and
 - 7.2 continued member representation and pressure through the CoR and CEMR



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- 8. Making the 'local' case in Whitehall:
 - 8.1 member meetings with UK Government Ministers (BIS: Mark Prisk, CLG: Greg Clark and Joan Hanham; DWP: Chris Grayling) to discuss and take forward local authority approaches following responses to the BIS consultation; and
 - 8.2 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.
- 9. Officers would also be keen to support members of the board wanting to more directly engage their councils in this work, such as supporting them to:
 - 9.1 meet their local MEP or MPs (nb the UK has only one MEP on the Regional Policy Committee Catherine Bearder, Liberal Democrat however most MEPs are aware of constituency interests and will be receptive to an approach);
 - 9.2 engage with the LA secondees to BIS, inviting them to your area/region to discuss the value of engaging with the process for developing new programmes;
 - 9.3 provide evidence and examples of how local authorities have engaged with EU programmes; and
 - 9.4 consider and developing models for local authorities to engage and shape investment from the EU funds in their areas.

Next steps

- 10. During 2012 the proposals are being negotiated by the European Parliament and national governments. The aim is for agreement by the end of the year with the new rules coming into force on 1 January 2014.
- 11. The next steps during the remainder of 2012 are to ensure the legislative amendments to be tabled by the European Parliament and the Council closely reflect the local government position, and that the 'local' case is made strongly in Whitehall.

Officer contacts

LGA London:Nick Porternick.porter@local.gov.ukLGA Brussels:Dominic Rowlesdominic.rowles@local.gov.ukLGA London:Jasbir Jhasjasbir.jhas@local.gov.uk



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Working Time Directive - member lobby strategy

Summary

- 1. The Working Time Directive, implemented in the UK as the *Working Time Regulations* 1998 (amended 2003), ensures that every worker is entitled to: a maximum 48 hour week, a minimum daily rest period, daily and weekly rest breaks, 4 weeks paid annual leave, extra protection in the case of night work. Special rules apply for working time in a small range of sectors.
- 2. The EU has repeatedly sought to revise the Directive, and is currently consulting the social partners on various aspects that might feature in a new Directive: on-call time; timing of minimum rest periods; tackling excessive working hours; better reconciliation of work and family life; clarifying areas where the law appears unclear. A draft Directive is expected in 2013.

LGA governance

3. Several LGA governance structures have an interest in the outcome and impact of the revision of the Directive (E+I and Workforce Boards and the Fire Services Management Committee). The work is coordinated through the E&I Board.

Key messages

- 4. The Directive has significant implications for local authority services, in particular residential care homes and the fire and rescue service, given its reliance on the shift patterns and the Retained Duty Staff (RDS). Following a discussion at an FSMC meeting in January 2012, the Committee wrote to MEPs in March 2012 with the following demands:
 - 4.1 retain the 48 hour opt-out:
 - 4.2 not all on-call time be classed as working time; and
 - 4.3 compensatory rest should be taken flexibly

Member involvement

- 5. Meetings with senior civil servants and Ministers in DCLG (Bob Neill MP, Joan Hanham) and shadow cabinet (Hilary Benn MP).
- 6. Contacts with MPs/peers on relevant committees.
- 7. Lobbying of MEPs on EP Employment Committee: Stephen Hughes (Labour); Phil Bennion (Liberal Democrat); Roger Helmer (Conservative).
- 8. Media opportunities as arise.



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Next steps

9. The social partners will complete their negotiations during the Summer, at which point the European Commission will consider whether there is sufficient consensus to launch a new Directive. It is a controversial issue and no doubt the passage of any revision will be fraught and lengthy.

Officer contacts

LGA London: Phil Bundy phil.bundy@local.gov.uk
LGA London: Jasbir Jhas jasbir.jhas@local.gov.uk
LGA Brussels: Richard Kitt richard.kitt@local.gov.uk



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Review of EU air quality policies - member lobby strategy

Summary

1. The European Commission is reviewing air quality policy and legislation, with a view to adopting a revised Directive no later than 2013. The Commission states that air quality problems remain and that current EU and national policy efforts have not delivered the expected results for a range of reasons. These include: an increase in transport; slow fleet turnover; and the gap between vehicle emissions in real world conditions compared to testing. The review will also strengthen provisions for fine particulate matter (PM2.5).

LGA governance

2. The work is led by the LGA Environment Board.

Key messages

- 3. Local government generally endorses attempts at local, national and EU level to improve air quality and reduce pollution.
- 4. Any targets must reflect local authorities capacity to deliver, and be set at national level with local authority involvement to achieve compliance. The nature of air quality problems varies depending on the locality and there is no one-size-fits-all solution. Reducing burdens and central prescription should free up increasingly scarce resources and give councils greater scope to address problems as appropriate for their area.
- 5. Action is needed at all levels: councils can and do take action but many sources of pollution are out of their control, motorways, ports, airports etc as are some of the levers and resources.
- 6. Action is also needed across policy areas, eg more consistency between EU air quality standards and requirements and other pieces of legislation such as EU norms for motor vehicles.
- 7. Reasons for non-compliance with existing targets must be widely understood and lessons learned.
- 8. Non-regulatory initiatives should be explored, e.g. promoting research and technological innovation. Local best practice should be shared across the EU.
- 9. The threat of EU fines for air quality resulting from the Localism Act should be closely monitored.

LGA Member involvement

10. Representation of LGA positions to UK Government Ministers (Rt Hon Caroline Spellman, DEFRA) and MPs/peers.



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- 11. Develop further work in with the UK Parliament Environment, Food and Rural Affairs (EFRA) Select Committee.
- 12. Contact with UK MEPs on the EP Environment Committee: Martin Callanan, Marina Yannakoudakis (both Conservative); Chris Davies (Liberal Democrat); Linda McAvan, Glenis Willmott (both Labour).
- 13. Securing key involvement through a CoR Opinion (ENVE commission).

Next steps

14. The European Commission is evaluating responses from a stakeholder consultation in 2011, and on this basis will start to prepare new legislation for publication in 2013. LGA should aim to start influencing the climate of opinion in Brussels and London in the Autumn 2012 so that it has an established lobbying profile for when draft rules are debated in 2013. Members may wish to invite DEFRA or an MEP to a future LGA Environment Board meeting to highlight the issues which may be up for review.

Officer contacts

LGA London: Kamal Panchal <u>kamal.panchal@local.gov.uk</u>
LGA Brussels: Richard Kitt <u>richard.kitt@local.gov.uk</u>



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E&I Board Member links with parliamentarians in Brussels and the UK

E&I Board Member	MEP link	UK Government link
Dave Wilcox	Arlene McCarthy MEP Stephen Hughes MEP Linda McAvan MEP Glenis Wilmott MEP	Hilary Benn MP Rt Hon Caroline Spelman MP Mary Creagh MP Caroline Flint MP Liam Byrne MP Ivan Lewis MP
Marco Cereste	Giles Chichester MEP Vicky Ford MEP	
Phillip Grove	Malcolm Harbour MEP	
Liz Eyre	Malcolm Harbour MEP	Rt Hon Caroline Spelman MP Rt Hon Michael Gove MP
Guy Nicholson		Bob Neill MP Chuka Umunna MP Caroline Flint MP Stephen Twigg MP Rt Hon Andrew Mitchell MP Harriet Harman MP