

Round-up of activity: Board EU lobbying priorities, institutions and international activities

Purpose of report

For discussion and direction.

Summary

At an earlier meeting, European and International Board (E&I) Members requested a regular update on recent developments on each of our key priority topics. In addition, the Board routinely receives an update of recent developments in the European and international bodies to which it nominates members and on the LGA's international activities.

Recommendation

Members are asked to comment on the report and make any recommendations for officers to action.

Action

Officers to take action as directed by Members.

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A: BOARD EU LOBBYING PRIORITIES

Procurement

1. The European LGA (CEMR, Council of European Municipalities and Regions) has written to MEPs to ask them to take a second look at simplifying the future public procurement regime. MEPs are encouraged to go for a second reading of the complex proposals in the European Parliament to iron out the remaining issues problematic for councils rather than rushing for a 'first reading deal' with national governments.
2. The LGA has also responded to the EU's consultation on e-invoicing which closed on 14 January 2013. The LGA made the case that e-invoicing arrangements between suppliers and councils are best designed nationally and locally to ensure market conditions are taken into account. EU guidelines would be preferable to a mandatory single EU system or standard. The EU will come forward with legislative proposals to harmonise different e-invoicing systems before the summer, as part of a wider push to make e-procurement mandatory in the public sector in the years ahead.

Air quality review

3. The Commission is conducting a review of existing air quality rules, which is expected to result in strengthened targets on existing pollutants and a broadening of the scope to include new ones. The main objectives of the review are to assess progress towards achieving levels of air quality that do not give rise to significant negative impacts on human health and the environment, and to identify options - both regulatory and non-regulatory - that could improve implementation of existing policy and contribute towards the greening of the economy.
4. An EU-wide opinion-poll, published in January 2013, found that most Europeans (79%) think that the EU should propose additional measures to address air quality-related problems in Europe; the UK sample was at the lower end with only 38% supporting EU action. Future actions to promote the use of electric cars were seen as the most popular measure to improve urban air quality. This survey will inform the European Commission in its current review, now expected to be published Autumn 2013.

Working Time Directive

5. To recall, 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

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annual leave; and extra protection in the case of night work. Special rules apply for working time in a small range of sectors.

6. The EU has repeatedly sought to revise the Directive and has consulted the social partners on various aspects that might feature in a new Directive: the definition of working time including 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.
7. These negotiations collapsed without agreement in December 2012. The European Commission is expecting to press ahead with a new proposal, but no timescales are yet available.
8. Board Members suggested the Directive's review would be a priority for LGA EU lobbying work. Officers will report back on developments.

Localism Act: EU fines

9. On 24 January 2013 the Commission referred the UK, Bulgaria and Estonia to the European Court for failing to fully transpose the EU internal energy market rules by the deadline of 31 March 2011. For the UK, the Commission requests the Court to impose a daily penalty payment of €148,177.92 for each of the two partially transposed Directives. If the Court agrees, the daily penalty is to be paid from the date of the judgment until the transposition is completed.
10. It should be emphasised that this case has no relevance to local government and therefore there is no risk of EU fines being imposed on local councils in this case; however it indicates the potential size of these fines.
11. It should also be stressed that the UK was not 'singled out' by the EU: on the same day 16 other countries were subject of a total of 171 decisions leading directly or potentially to future Court action. However the penalty sought for the UK infraction is the highest sought on this occasion.

UK review of EU competences

12. The Government has launched a major audit of what the EU does and how it affects the UK. Each relevant Whitehall department will, between now and Autumn 2014, conduct specific studies on issues such as the internal market, environment, energy, health and safety and employment and social affairs, among other issues. A wide range of EU laws, once transposed into UK law, affect the way local government services are managed, so the review may be of interest to local authorities. The review of the balance of competences can be viewed here <https://www.gov.uk/review-of-the-balance-of-competences>. Board Members may wish to consider inviting the lead official in Whitehall to a subsequent Board meeting to provide an overview of the review.

B: INSTITUTIONS

Congress of the Council of Europe

13. The Congress of the Council of Europe has not met since the last LGA update. However the UK Delegation met in London on 25 January to elect a new Leader, Cllr John Warmisham. The Delegation also received an activity report from 2012 and discussed the forthcoming peer review of UK local government.
14. In advance of the Congress meeting, the LGA Chairman and Local Government Minister Baroness Joan Hanham addressed the Congress and CoR delegations on the forthcoming review, with Sir Merrick committing the LGA to a constructive engagement with the Congress reviewers when they visit the LGA in summer.
15. Concerning the forthcoming peer review, UK members:
 - 15.1. Welcomed the opportunity the monitoring visit presented to review and promote the UK's democratic arrangements. In discussing the composition of the peer review team, it was noted that the three person team would be bound to operate with impartiality.
 - 15.2. Suggested that, given Congress' interest in directly-elected Mayors, the review may wish to engage with: Bristol, Hartlepool and Salford.
 - 15.3. Asked for clarity regarding how the review would approach the UK's devolved Parliaments and Assemblies. In terms of key regional politicians, Members highlighted the importance of engaging the Mayor of London, COSLA and the Scottish Parliament.
16. The Board should note that the internal composition of the UK Delegation has been called into question (currently 14 England; 2 Scotland; 1 Wales; 1 Northern Ireland). The Northern Irish Assembly and NILGA have jointly approached the Foreign Secretary to request an increase their number of full places to two, to provide one representative from each tier of governance. Assuming that the total UK allocation is fixed (given budget constraints) new places would obviously need to come from the English allocation.
17. It is recommended that the LGA refuse to endorse such a change that would be detrimental to its own allocation.

EU Committee of the Regions

18. The CoR UK Delegation also met in London on 25 January 2013. They met with the EU Ambassador to the UK to discuss the EU work programme and adopted Delegation priorities along the lines of those already agreed by LGA, enabling support staff to focus their resources on the key issues.
19. In the prior joint debate with Sir Merrick and Baroness Hanham, the LGA Chairman committed the LGA to working actively to protect and promote local government interests

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in the EU, by gaining intelligence and lobbying on key priorities, working with key stakeholders in Brussels and Whitehall, identifying EU funding opportunities and exchanging best practice with other countries.

20. The LGA Chairman and Chief Executive will visit Brussels in April; Independent Group Leader Cllr Overton visited the CoR plenary on 31 January 2013.

Council of European Municipalities and Regions (CEMR)

21. The CEMR is currently preparing to close its Paris Office, for reasons of efficiency and effectiveness. The LGA has strongly supported this decision, a long-held wish of the UK section, but insists that it should be achieved at minimal cost to the CEMR and its subscribing associations (under EU and French law, staff cannot be compelled to move from Paris to Brussels, and must therefore be made redundant according to French terms and conditions). LGA members have called for an incremental closure to minimise or avoid redundancies.
22. A definitive decision was scheduled to be taken on 30 January 2013 and will be reported verbally at the meeting.
23. The 30 January meeting will also confirm subscription fees for 2013, which are forecast to be set at the same level as 2012 (i.e. a real reduction of 20% since 2011).
24. Members are reminded that this is the final year of the current CEMR mandate, and our members of the CEMR Policy Committee will need to be reviewed during summer 2013.