

## **European and International Board: Annual Review of the Year**

### **Supporting Local Economic Growth**

1. One of the big concerns expressed by councils over many years was that national control over EU structural funds in England was a barrier to local growth and hampered partners ability to develop innovative projects and support the most vulnerable in society. With the current funding regime ending in December 2013, the Board prioritised lobbying for a localist approach to delivery in the 2014-20 EU funding programmes.
2. While there is still much to do to finalise arrangements, the Board has delivered a significant lobbying success in the 2013 spending review. The Government announced that the majority of EU allocations (approximately £6 billion) have been localised to Local Enterprise Partnership (LEP) areas, with minimal funding kept nationally (4.3 per cent).
3. Key to the Board's success has been a significant and concerted evidence based campaign to influence Whitehall, Parliament and EU decision makers, which set out what local partners could achieve at the local level (and what would be lost through a national approach). We also ensured that there was a more balanced and equal relationship with Government. Through the appointment of two local government secondees to the UK negotiating team within the Department for Business, Skills and Innovation (BIS), we ensured that the direct negotiations between the UK and the EU had a distinct local voice. This is a model that we may want to replicate elsewhere.

### **Successful EU Influence**

4. Through the appointment of councillors to formal European bodies - such as Committee of the Regions (CoR) and CEMR (the European LGA) - and direct lobbying by leading Members, the Board exerts much influence in Brussels. Each year, the Board agrees lobbying priorities from the EU annual work programme to ensure that any new local financial or administrative burdens are challenged and new opportunities supported.
5. Members from the Board, CoR and CEMR have worked collaboratively on priorities. The EU funding issues above are a good example of the Board seeking to maximise new opportunities for councils.
6. Members also led a successful lobby to challenge new financial burdens from a proposed EU target to enforce a 3 per cent annual renovation of public sector buildings to minimum energy efficiency levels. A conservative figure for all social housing to be renovated was £752 million. Whilst the principle behind the EU work was a good one, reduced council budgets could not afford the proposed EU standards. Thus Members successfully worked to remove local councils from the scope of this Directive, notably through CoR and the synchronised lobbying of national governments by LGAs across Europe, co-ordinated by CEMR.

7. Another example was the changes we achieved to EU procurement rules, making local environmental and social conditions easier to apply and ensuring that council-to-council collaboration was outside the remit of EU rules.

#### **Better Value from Practitioners in Delivering Aid**

8. There is much demand upon English local government from LGAs and councils in the developing world. One of the big messages from councils abroad is that they prefer to be supported by peers rather than expensive consultants. Whilst the LGA has often made these lobbying points, in 2012-13 we were commissioned to deliver a programme of work which allowed us to speak with a voice of authority on these issues.
9. Our African peer review programme, commissioned from the African LGA, with the support of resources from an external donor, exemplified how local practitioners in the UK could support the public service abroad in a very cost-effective way. The comments back from African politicians was that the programmes provided a model of support where improvement models were being offered by peers (rather than consultants offering off-the-shelf solutions) and they led to a transfer of expertise (rather than an aid organisations setting up an office in the developing nation).
10. Through this work, we have demonstrated the range of work that could be led by local government and highlighted the demand and standing of UK expertise in the developing world.

#### **Councils Providing New Markets Abroad For Business**

11. We have long argued that in developing new markets for British firms, the local-to-local role is unvalued in the UK. In 2013, we developed a programme with UK Trade and Investment (UKTI) and its Mexican arm after an approach to the LGA by Mexican local government. Under new policy directives, Mexican Mayors were developing a commercialisation programme and wanted an introduction to UK firms who had a global reputation in developing public/private partnerships, whilst maintaining the public service ethos. Mexican politicians wanted to meet firms through their UK political peers in local government as a “safe passage” to the private sector. This demonstrated to UKTI the worth of local-to-local relationships in trade. As a result, Lord Green, the BIS Trade Minister, asked for a local action plan to be developed at the LGA conference in July.

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