

**SOUTH EAST ENGLAND COUNCILS  
EXECUTIVE COMMITTEE**



Date: 19 March 2015

Subject: **EU legislation and funding: Impact on the South East**

Report by: Nick Woolfenden, SEEC Head of Policy Co-ordination

**Recommendations:**

Members are asked to note and discuss updates from:

- i) The LGA on progress towards new EU local project funding opportunities in the South East.
- ii) The Chairman on his work to minimise EU red-tape and burdens on South East councils.

**1. Background**

1.1 SEEC is pleased to welcome LGA Adviser Russell Reefer to the meeting, to update members on progress towards new local European funding opportunities. SEEC's Chairman will also update members on his work to ensure EU legislation does not unduly burden South East councils. He champions this as a Committee of the Regions member and via his Presidency of the CoR European Conservatives & Reformists Group.

**2. European funding – local opportunities**

2.1 LEPs are responsible for setting new EU local project funding priorities with partners through their European Structural and Investment Fund (ESIF) strategies 2014-20 (see SEEC's 2014 [summary of drafts](#)). There will also be a nationally-driven element to the new programmes. €490m ERDF (economic) & ESF (social), plus around €42m European Agricultural Fund for Rural Development (EAFRD), is allocated to the South East for the seven year period.

2.2 The Government is in final negotiations with the European Commission (EC) over the extent of local vs national control in project funding decisions, which has delayed the start of project funding. SEEC has previously emphasised the importance of councillor involvement in decision making for these EU funds at local and national levels, to ensure democratic accountability and effective targeting of funds. Issues that members may wish to explore with LGA include:

- How is LGA making the case for local government control over funding decisions?
- When will funding be available to local projects and who/what projects can bid?

**3. European legislation – local implications**

3.1 Representing the interests of local areas across Europe, the Committee of the Regions (CoR) scrutinises and influences development of European legislation. A key focus for CoR scrutiny in 2015 will be the EC's six priorities set out in its new work programme, the first under new President Juncker:

- Delivering the EC's new €315bn Investment Plan, creating jobs and growth.
- Delivering a successful digital economy.
- Building a European Energy Union, ensuring energy supply security, reducing energy demand and promoting green technology.
- Combatting tax evasion and tax fraud, including moves to taxing profits in the country they are generated.
- Developing a holistic approach to migration, including fighting human trafficking.
- Strengthening the Economic and Monetary Union to improve economic prospects.

3.2 There is concern that the new EC presidency may be trying to reduce the CoR's powers to minimise 'gold-plating' of legislation. The Chairman will update members on his work to challenge this, cut EU red-tape and minimise mandatory targets to ensure they do not hinder economic growth or unnecessarily burden South East councils.

3.3 For example the CoR has concerns the EC may halt an existing review of waste regulations in favour of starting afresh, which could be costly and time-consuming, and leaves uncertainty regarding implications for future council targets.