

Local Government Association (LGA)

EU (Withdrawal) Bill

Committee Stage, House of Lords

March 2018

Amendment statements

Border checks: Amendments 104 and 231 led by Lord Berkeley, Lord Bradshaw, Baroness Altmann and Lord Bilimoria, and Amendment 212 led by Baroness McIntosh and Lord Judd

Councils have regulatory responsibilities in relation to a broad range of products arriving in the country at ports of entry. For goods requiring active clearance and notification (such as animal or plant health products), products originating from within the EU are not routinely subject to import checks, in contrast to goods from third countries. Were this position to change after the UK leaves the EU, it could have a significant impact on the resources required to fulfil these checks.

Family reunification: Amendment 208 led by Lord Dubs, Lord Bassam of Brighton, Baroness Sheehan, and Baroness Butler-Sloss

Local government has a strong track record in welcoming various programmes for refugees and asylum seekers currently in operation. Councils wish to ensure that the ongoing needs of any new arrivals under any system can be met without creating unsustainable pressure on local children's services, which are facing a £2 billion shortfall.

Local government consultation: Amendment 227 led by Lord Shipley and Lord Wallace of Saltaire

The LGA, together with the local government associations in Wales, Scotland and Northern Ireland, have been in discussion with the UK Government about how local government's current formal advisory role in EU law might be replicated in UK law, without creating new bureaucracies. We do not want to recreate the institution of the Committee of the Regions. Our proposal is about the function of consultation, not its form. We support amendment 227 in order to encourage the Government to take the opportunity to update Parliament on the progress of these discussions.

Devolution: Amendment 314 led by Lord Hope, Lord Beith, Baroness McIntosh, Baroness Finlay

Former EU powers will start to be reviewed after the Bill is passed. Brexit should not simply mean a transfer of powers from Brussels to Westminster, Holyrood, Stormont and Cardiff Bay. It must lead to new legislative freedoms and flexibilities for councils so that residents and businesses benefit. UK-wide frameworks should be used only where necessary. Taking decisions over how to run local services closer to where people live is key to improving them and saving money.

Background

Border checks

Councils have regulatory responsibilities in relation to a broad range of products arriving in the country at ports of entry. For goods requiring active clearance and notification, such as animal or plant health products, products originating from within the EU are not routinely subject to import checks, in contrast to goods from third countries. Were this position to change after the UK leaves the EU, it could have a significant impact on the resources required to fulfil these checks.

Case study: City of London

Given same level of trading activity as present, the City of London has estimated that in the event of no customs union or equivalent membership, their workload could increase by 25 per cent in the port health authorities they manage in the tidal Thames & Medway area.¹ This would have significant staffing and training implications and also require additional offices and facilities at wharves and ports which are not currently equipped.

Case study: Port of Dover

The Port of Dover currently handles £122 billion (17 per cent) of the UK's trade in goods in 2.6 million 'roll-on, roll-off' freight vehicles, alongside 2.4 million tourist vehicles per year.² Given that EU freight vehicle traffic account for 99 per cent of freight vehicle traffic and a lack of physical space caused by the coastal environment, the Port has estimated that even a two-minute increase in the time to check each vehicle would cause 17 miles of queues both sides of the Channel.

Local authorities currently provide export hygiene certificates (EHCs) for fishery products, but other products of animal origin require an Animal Plant and Health Authority official vet to issue a certificate. Local authority officers inspect dairy premises and are familiar with a business's processes and risks and therefore equipped with the information necessary to make the judgement on the business required for the EHC. If more businesses are required to seek EHCs in order to export into the EU after Brexit, there is scope to change the requirements so that local authorities are authorised to issue EHCs (and certificates of conformity for products not of animal origin). This would reduce the complexity of the framework for businesses and better support businesses seeking to trade internationally.

The LGA, local authorities and port authorities want to work with the Government to fully understand the implications of different post-Brexit scenarios on both port operations and surrounding local areas.

Family reunification

Local government has a strong track record in welcoming asylum seekers and refugees and councils continue to work hard to support the many programmes for refugees and asylum seekers currently in operation. As well as direct support to unaccompanied children, councils free up social workers to undertake assessments of family members prior to children arriving from Europe, often with limited notice and information on the needs of the children.

Under current EU law, an unaccompanied child can apply to be reunited with their close family members in any state that is a signatory of the Dublin Convention (Dublin III). It is unclear what impact leaving the European Union will have on this.

However, Dublin III does have financial implications for local authorities which need to be addressed now and in any new developments post-Brexit. Currently, the pre-arrival family assessment is not funded. Our members report having to support families financially to keep them together, particularly when their family members are dispersed asylum seekers on low incomes and when their asylum claim fails. This cost is not met by central government. If the family members are assessed as

¹ City of London Port Health & Environmental Services Committee report on the Impact of the UK leaving the EU (Brexit) on Port Health and Public Protection, 19 September 2017
<http://democracy.cityoflondon.gov.uk/documents/s83957/Impact%20of%20Brexit%20on%20Port%20Health%20Public%20Protection%20-%20final.pdf>

² Port of Dover's written submission to the Public Accounts Select Committee inquiry on the future of customs, 23 October 2017,
<http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/public-accounts-committee/brexit-and-the-future-of-customs/written/71385.pdf>

not being able to look after the child or arrangements break down, the child enters the National Transfer Scheme as unaccompanied children, which has an impact on local authority resources.

Lessons could be learnt from the successful Syrian Vulnerable Persons Resettlement Scheme in the development of any support for new arrivals, including early involvement from local authorities, long-term funding arrangements and detailed information on needs in advance of transfer to help inform the assessment process and resettlement in the UK.

Local government consultation

Currently local government has a formal advisory role in the EU law and policy-making process. Local government has used its advisory to make sure that law-makers had good advice so that regulations and laws governing local services could be implemented well at the frontline of delivery.

Examples

1. The Committee of the Regions (CoR) helped to establish a repository of extremism prevention strategies at national, regional or local level. Councils benefit from being able to easily replicate and adapt anti-radicalisation strategies already produced in other local areas.
2. The CoR gained the European Parliament's endorsement for providing support for energy production and supply at local and community level, on an equal footing with other players in the energy market. This makes it easier for councils to work with others to produce and supply their own energy, reducing reliance on larger energy suppliers.
3. The CoR's work was reflected in a new EU regulation to protect the steel industry from low cost imports from China. The favourable regulatory regime at EU level may have supported Tata Steel to make new investments in its site in Wales and protected jobs.

The LGA, together with the local government associations in Wales, Scotland and Northern Ireland, have been in discussion with the UK Government about how this advisory role might be replicated in UK law. Our shared ambition is to replicate the advisory role of local government in the UK, preserving the rights and responsibilities of local government through a more streamlined and less bureaucratic process of consultation than the current CoR. We do not want to recreate the institution of the CoR. This is about the function, not the form.

We would encourage the Government to update Parliament on the progress of these discussions as soon as possible.

Devolution

The White Paper *Legislating for the UK's withdrawal from the EU* states that leaving the EU is an opportunity to ensure returning 'power sits closer to the people of the UK than ever before'.³ It includes a commitment to continue to champion devolution to local government. The UK's exit from the European Union will have a significant impact on local government, creating opportunities to do things differently as well as challenges that need to be addressed.

Much of the debate on the Bill so far has focused on the devolved administrations,

³ *Legislating for the UK's withdrawal from the EU*, DExEU White Paper
<https://www.gov.uk/government/publications/the-repeal-bill-white-paper/legislating-for-the-united-kingdoms-withdrawal-from-the-european-union>

but EU laws impact on many of the council services that affect people's day-to-day lives. These range from deciding how to protect people from being served unsafe food when they eat out to regulating how councils buy goods and services. Local government must play a central role in deciding whether to keep, amend or scrap EU laws once they are converted into domestic law.

Brexit should not simply mean a transfer of powers from Brussels to Westminster, Holyrood, Stormont and Cardiff Bay. It must lead to new legislative freedoms and flexibilities for councils across the UK so that residents and businesses benefit. UK-wide frameworks should be used only as necessary. Taking decisions over how to run local services closer to where people live is key to improving them and saving money.

Funding

Continued participation in the Multi-annual Financial Framework 2014-20 was included in the joint UK and European Commission report on phase one negotiations. This agreement means that local communities will continue to benefit from EU funds until the end of the current programmes in 2020. This is welcome as a short-term solution.

It is now essential that this funding to local areas is fully replaced from 2020 as part of a locally-led successor to EU regional aid. An £8.4 billion UK-wide funding gap for local communities would immediately open up from 2021 unless a viable domestic successor to EU funding is in place.⁴

⁴ LGA Autumn Budget submission 2017

<https://www.local.gov.uk/parliament/briefings-and-responses/lga-autumn-budget-submission-2017>