



The Scottish Parliament
Pàrlamaid na h-Alba

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Culture, Tourism, Europe and
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**Local Government and Communities
Committee**

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Dear Convener

EU Engagement and Scrutiny of the Committees of the Scottish Parliament

Thank you for your letter of 9 December 2016 inviting the Local Government and Communities (LGC) Committee to report back to the Culture, Tourism, Europe and External Relations Committee on its EU engagement and scrutiny in relation to the [European Commission's work programme 2017¹](#) and the implications of leaving the EU for Scotland.

Implications of leaving the EU for Scotland

The Committee began its programme of EU scrutiny by holding [an evidence session with a number of interested stakeholders²](#) on the implications for Scottish Local Government of leaving the EU on 14 December. A number of matters were raised during the session, prompting the Committee to write to the Minister for UK Negotiations on Scotland's Place in Europe for a response to the following:

- What consideration the Scottish Government is giving to how European Structural Funds and other sources of European funding might be replaced following the UK's departure from the European Union?
- Given that local authorities are lead delivery agents for around £107 million of structural fund projects for the 2014-2020 programmes (around 30% of funding drawn down to date), is the Scottish Government confident that, during a financially challenging period for local government, the necessary

match funding will be available to allow Scotland to commit its full structural fund allocation before the UK leaves the EU?

- What consideration the Scottish Government has given to how powers which will no longer be areas of EU competence will be devolved and whether this devolution will extend to giving new powers to Scotland's local authorities?
- What consideration the Scottish Government has given to the potential impact on Scottish local government – both in terms of local economies and labour supply - of reduced migration in the event of changes to freedom of movement rules when the UK leaves the EU?
- What impact leaving the EU might have with regard to Scotland's requirement to observe EU State Aid and Public Procurement rules and whether the Government considers changes in procurement rules could provide an opportunity to benefit local business and workers?
- How the Scottish Government will include the voices of all members of civil society and tiers of government throughout Scotland and the UK in developing Scotland's position as the negotiations develop, given reports that there had been varying levels of engagement between the stakeholders and the Scottish and UK Governments

In addition to the above, the Committee also wrote to COSLA to request further information on what workforce planning is being carried out across local government in relation to the concerns raised regarding the potential impact of reduced migration.

The Committee has also asked COSLA what contingency planning is taking place given the uncertainty around how European funding which local authorities currently receive might be replaced once the UK has left the EU and also how the uncertainty is affecting the ability of Councils to plan ahead financially.

The letters are available on the Committee's webpage here:

<http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/102178.aspx>³

The Committee will forward you responses to these letters once received and will keep you updated on any further ongoing and forthcoming work in relation to the impact of leaving the EU for Scotland.

European Commission's work programme 2017

Many of the issues scrutinised above fall within [the Commission's priorities "to deliver a targeted and positive agenda that brings concrete results to protect, empower and defend citizens"](#).⁴ In particular, scrutiny in relation to the restriction on freedom of movement on local economies and labour supply would contribute towards *Priority 4. A Deeper and Fairer Internal Market with a Strengthened Industrial Base* and *Priority 8: Towards a New Policy on Migration*.

In addition, the Committee has the following work to undertake in relation to the European Commission's work programme 2017.

Scrutiny of the Scottish Government's Draft Climate Change Plan

The Scottish Government's draft Climate Change Plan was laid in the Parliament on 19 January 2017. Under the provisions of the Climate Change (Scotland) Act 2009 Parliament has a maximum of 60 days to report on the document.

The LGC Committee is one of four Committees which is scrutinising the Scottish Government's draft Climate Change Plan 2017, alongside the Environment, Climate Change and Land Reform Committee, the Economy, Jobs and Fair Work Committee and the Rural Economy and Connectivity Committee. Each Committee will separately consider the elements of the Report within their remit and will report directly to Parliament. The LGC Committee's scrutiny will focus on Local Government and Communities, Planning; and Housing.

The [call for evidence](#)⁵ is due to close on 10 February and the Committee held oral evidence sessions with Local Government and Planning stakeholders at its meeting on 1 February, followed by a session with housing stakeholders on 8 February. The Committee will hear from the Minister for Local Government and Housing on 22 February before reporting to Parliament on the outcome of its scrutiny work.

Consideration of this issue would contribute to *priority 3: A Resilient Energy Union with a Forward-Looking Climate Change Policy. European Directive 2014/52/EU*

The LGC Committee will scrutinise *The Town and Country Planning (Environmental Impact Assessment) (Scotland) Regulations 2017*. This Negative Statutory Instrument, transposes European Directive 2014/52/EU, further strengthening European Directive 2011/92/EU, ensuring that an assessment of the likely significant effects of certain projects on the environment is undertaken before development consent can be granted. The instrument is part of a wider package of instruments which will implement the measures and will be considered by other Parliamentary Committees. A [letter from the Cabinet Secretary for Environment, Climate Change and Land Reform](#)⁶ sets out further information on the legislation.

Future Work Programme

In relation to the Committee's future work programme there may be issues which merit consideration from a European perspective. This includes the Committee's inquiry into Cities and regions.

As the Committee continues to scope its approach to this inquiry I will ensure that further updates on this work and whether it provides an opportunity for further EU engagement and scrutiny is provided to your Committee.

Should you require any further information on the work of the LGC Committee in relation to EU scrutiny please contact the Clerks to the Committee on the contact details provided above.

Kind Regards

Bob Doris MSP
Convener of the Local Government and Communities Committee

¹ European Commission, Commission Work Programme 2017, http://ec.europa.eu/atwork/pdf/cwp_2017_en.pdf, accessed on 8 February 2017.

² Local Government and Communities Committee, *Official Report*, 14 December 2016.

³ Local Government and Communities Committee, Website, <http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/102178.aspx>, accessed on 8 February 2017.

⁴ European Commission, Commission Work Programme 2017.

⁵ Local Government and Communities Committee, Website, <http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/103066.aspx>, accessed on 8 February 2017.

⁶ Local Government and Communities Committee, Website, http://www.scottish.parliament.uk/S5_Local_Gov/General%20Documents/20170119_CabSecECCLR_ToConvener.pdf, accessed on 8 February 2017.