

## Summary of EGM and Policy Board 19.02.16

Present	Stuart Bews	Aberdeen City Council
	Margaux Demeyer	Aberdeen City Council
	Martin Brebner	Aberdeenshire Council
	Cllr Isobel Davidson	Aberdeenshire Council
	Cllr Lynne Devine	Angus Council
	Cllr Mairi Evans	Angus Council
	Shelley Hague	Angus Council
	Kathy Watson	Angus Council
	Cllr Will Dawson	Dundee City Council
	Rory Young	Dundee City Council
	Cllr Martin Oliver	Falkirk Council
	Sharon Douglas	Fife Council
	Cllr Tony Martin	Fife Council
	Cllr John Kellas	Perth and Kinross Council
	Serge Merone	Perth and Kinross Council
	Cllr Martin Oliver	Falkirk Council
	Joanne Scobie	ESEC Secretariat
Professor Drew Scott	University of Edinburgh	
Apologies	Cllr Barney Crockett	Aberdeen City Council
	Yasa Ratnayeke	Aberdeen City Council
	Amye Robinson	Aberdeen City Council
	Nacire Sayeh	Aberdeenshire Council
	Cllr Geva Blackett	Aberdeenshire Council
	Rhonda McFarlane	Angus Council
	Diane Milne	Dundee City Council
	Andrew Wilson	Falkirk Council

### Update and approval of ESEC constitution

- It had been noted that the constitution was out of date and should be updated to reflect the current activity of the consortium.
- EU officer Joanne Scobie updated the constitution and consulted with Angus Council legal department to ensure the constitution was sound.
- The constitution was approved and considered as final.

### Approval of External Annual Audit Plan

- Kathy Watson of Angus Council presented the ESEC External Annual Audit Plan.
- Kathy noted that moving ahead the consortium would require extra financial prudence, however there are significant usable reserves on which it can draw on and therefore will be able to operate as a going concern.

- The auditors had concerns on the transparency of the consortium, especially regarding interaction with the public and their attendance at meetings. It was pointed out that the consortium is not a public-facing organisation, however the secretariat would seek to address transparency concerns by publishing more information on the website regarding ESEC activity, including meeting summaries.

### **Scotland Europa membership renewal**

- ESEC's membership of Scotland Europa is due for renewal from March/April 2016, and the current annual fee is €11,000 (£8,000) for Standard Plus Membership.
- It was agreed to maintain the membership at this level and the service offering should be more focused on policy and funding support, given that most of the new funding programmes now active or expected to be live soon.

### **Presentation by Professor Drew Scott**

- Professor Drew Scott of the University of Edinburgh gave his views on the UK's relationship with the EU, ahead of the upcoming referendum which is expected to take place on 23 June 2016.
- Professor Scott introduced himself and noted that he had a long history with ESEC, and was involved with the consortium when it was first created.
- He said that relationships among Member States are very complicated, for example Germany wants a deal with the UK while Greece seeks deals with Germany and there is a lot of compromise and horse-trading. The main consensus is that the UK should remain a member of the EU, for political and social consequences, and a Brexit would prove to be costly. These views are driven by evidence.
- The coalition government of the Conservatives and Liberal Democrats had commissioned a review of the Balances of Competences which looked at every relevant sector from energy to migration, and concluded that the UK had benefitted from membership, however these findings were buried by the Conservative government. David Cameron had submitted requests for reform to the EU, the main asks being migration and economic governance. He had also demanded more focus on competitiveness, which in reality is deregulation and will be easy to negotiate. Economic governance is more of a sticking point as the UK government sought an agreement that EU legislation will not impact the City of London however Brussels might want tighter regulation following the economic crisis, and there is still concern in the Eurozone about a second financial meltdown.
- The reform also includes an emergency brake on migration and if the UK can prove that migrant workers who are in receipt of benefits are causing a crisis, then in theory a break might be applied. However legally this is against EU treaty rules of non-discrimination of EU citizens and could therefore be challenged in the European Court of Justice.
- Scotland will likely suffer from a Brexit, as more than 50% of its trade is with the EU. Scotland has a skills gap and migrants play a role in plugging this. The demographic challenge in Scotland is more acute, with an ageing population. Furthermore, Scottish public spending is financed by income tax, and therefore a Brexit would be a disaster as income tax is based on workers, and therefore if freedom of movement is restrained, this would be especially damaging to Scotland's revenues.
- Over the course of the Brexit debate, the UK has in any case lost influence, and even if it remains a member, it will not be taken seriously. The UK relationship with the EU is now transactional and very self-interested and to be properly integrated, self-interest needs to

be balanced with solidarity. For example, Chancellor Kohl gave up the Deutschmark for solidarity, which was a massive emblem of national identity and was not in the interest of Germany, but of EU integration.

- In the case of Brexit, this would automatically trigger a constitutional crisis and talk of a second independence referendum, especially if Scotland votes to remain and England votes to leave. Scotland receives a lot of EU funding in regional development and there is no assurance from central government on what would happen to these grants. The European Social Fund would cease to be paid, and if employability funding was solely in the hands of the UK government, then the totals would be significantly reduced.
- An example of the European Union protecting vulnerable communities was in the 1980s when it created a fund for pit closures, and Margaret Thatcher was livid.
- Both campaigns have so far been awful – the remain campaign has not demonstrated leadership or passion. If the UK does not leave, the EU will not make the break-up easy as it does not want to be seen as rewarding delinquency. In fact some in the EU believe it would be best of the UK left as it had always been the awkward partner.
- In June, Scotland is predicted to vote 65% in favour, but there is concern on how Middle England is going to vote.

#### **Date of next meeting**

- The next meeting will be on Friday 1 July.