

The Role of Local Government Associations

This article aims to outline some common characteristics of Local Government Associations (LGAs) and their role in relation to the central government.

Introduction

Since the beginning of the last century, cities, towns and municipalities in Europe have formed their own associations for mutual benefits. The structures and tasks have had large similarities over time and across countries. A Local Government Association (LGA) typically has a congress or general assembly as its highest decision making organ and a relatively powerful executive structure, combined with a secretariat with experts on thematics relevant to its members.

The tasks that LGAs tend to take on could be categorized in three groups:

1. Strengthening of their members capacities through activities like dissemination of information (including interpretation of relevant legislation), advisory services, development of methods and tools, activities for capacity building etc.
2. Presenting and defending the interests of their members before national decision makers. This is normally done through both structured and informal consultations, petitions, participation in committees preparing relevant legislation etc.
3. Providing a meeting place for its member to facilitate exchange of experiences and good practises and create a culture that makes it possible for the members to agree on joint positions on issues to be discussed with national decision makers i.e. to be able to speak with one voice.

The right for local authorities to associate is codified in the European Charter of Local Self-Government¹ which has been signed by the states members of the Council of Europe. Article 10 of the Charter reads:

The entitlement of local authorities to belong to an association for the protection and promotion of their common interests and to belong to an international association of local authorities shall be recognised in each State.

The Charter also stipulates that local authorities shall be consulted “in an appropriate way in the planning and decision-making processes for all matters which concern them directly”² and regarding the financial resources that will be allocated to them³. As it would be impossible for the state to consult individually with hundreds or thousands of local authorities, it is natural to conduct these consultations through representative LGAs. Where conditions between different kind of

¹ <https://www.coe.int/en/web/conventions/full-list/-/conventions/rms/090000168007a088>

² Article 4

³ Article 9

municipalities are large, it has been important to be able to make consultations with more than one association to make sure that all voices are represented in the consultations.

In many countries the local authorities are or have been associated according to a typology, i.e. with cities and towns belonging to one association and rural municipalities in another association.⁴The same goes for provincial and/or regional authorities. The reason for this has been the need to have the specific interests of each type of local government represented before the national decision-makers. Yet, and as shown below, mature LGAs historically tend to either merge into larger associations representing all local and regional governments or use instances of coordination between the different LGAs in the country to be able to speak with one voice. A condition for these structures seems to be a high level of mutual trust between the different types of sub-national governments.

Normally, a LGA receives the largest share of its income from membership fees and from fees for services. Some associations are also running companies that provide specific services such as coordinated procurement, sector specific IT-software and support, local government training institutions, research centres etc. Further the state may see the LGA as the most well placed actor to develop and run projects to strengthen specific capacities in local authorities and thus channel project funding to the LGAs. There is also a long tradition within the European Union and its member states to support LGAs in candidate and partnership countries, as these actors have been seen as important for establishment of democratic processes and ongoing reform efforts.

The democratic structures and cultures of LGAs are of outmost importance for their capacity to be useful for their members and competent counterparts to national institutions. Normally a congress or general assembly is the highest decision-making organ within an LGA. Members tend to have representation according to their size, as member fees also tend to be proportional to the population of each member. In countries where local politicians are elected on party lists, the LGA congress tend to vote and elect their board and committees along party lines, almost always with proportional representation. Once elected, these organs work actively to bridge party divides and search for common positions to be able to speak with one voice. Only if they internally can find compromises that satisfies the interests of both small and large members and members of all political colours can they be successful in their negotiations with the national level (and relieve the state of the burden to accommodate many different interests).

If the contrary happens – one party dominates an association or several associations are formed based on party affiliation – both services to members and consultations with the government seems to be weaker.

In some countries there are specific laws regulating the role and status of LGAs⁵. In other there are regulations within the law on local governments⁶and in yet other nothing but the general law on associations is applicable to the LGAs.

Case studies

⁴ As shown in the Polish example below, it is also possible for a local government to belong to more than one association. In Poland, local governments are independent and may belong to several local government organizations. Usually, however, they belong to one nationwide organization and to several regional and thematic organizations (tourist communes, ecological communes, etc.)

⁵ One such example is Turkey: <http://www.lawsturkey.com/law/law-of-unions-of-local-governments-5355>

⁶ Sections 95-97 in the Latvian Law on Local Governments regulates the role of LGAs
http://www.vvc.gov.lv/export/sites/default/docs/LRTA/Likumi/On_Local_Governments.doc

Sweden

In *Sweden* the first local government association was formed in 1908, organising cities, towns as well as communities with partial town rights. Right from the start it fulfilled all of the roles outlined above and was successful in initiating and/or influencing relevant legislation.⁷

In 1919 also the rural municipalities formed an association with similar characteristics. The logic for having two separate associations was the differences in roles and conditions for rural and urban communities. In 1968, in the wake of a municipal reform giving all municipalities the same roles, the two associations were merged. The final step of consolidation was taken in 2007, when the association of municipalities was merged with the association of regions (formed 1920), thereby forming the Swedish Association of Municipalities and Regions⁸ (SKR, also known by the English acronym SALAR) which today is one of the largest LGAs in Europe.

SKR holds its congress every fourth year, six months after the elections to municipal and regional council. The delegates to the congress are elected in regional constituencies by the members of each council, with their vote weighted by the number of inhabitants they represent. The congress elects the board and decides on a programme for the coming four years as well as the member fees to be paid. The board is elected proportionally to the strength of each party or group of parties in the congress. At its first meeting, the board elects the members and chairpersons of the different thematic committees. In total, around 300 local and regional politicians have seats in the different political organs of SKR, which hold monthly meetings.

The secretariat employs around 450 staff, the majority of them experts in the different fields of responsibilities of municipalities and regions. Further, a relatively large division for financial analysis produces reports and forecasts to help SKR's members to make their budgets and to feed into the discussions between the association and the state on financial matters.

Besides the traditional tasks for a LGA described above, SKR is also the largest employers organisation in Sweden – the members employ more than one million people. In this role, SKR negotiates central collective agreements, with the trade unions and supports the members in their role as employers.

The annual turnover is approximately 110 million euro, with slightly more than 40 % coming from membership fees. These fees are based on the population size of the members, which pays approximately 2.5 euro per inhabitant⁹, with a slight discount for the largest members that is capable of providing many services, e.g. legal advisory, in-house. About 10 % come from fees for services. Although many of SKR's services are provided free of cost, participation in conferences and courses are charged for at the price of production. Further some consultancy services are charged for. 7 percent come from return on financial assets and from the companies. Another 40 percent relates to projects financed by the state. The majority of these projects relates to health and medical care e.g. the national quality registers¹⁰ for medical treatments, which SKR runs. In practise this means that the state agrees with SKR to develop and/or maintain functions that the state deem important for the sub-national government and/or the citizens and that fall into categories that the state is responsible for.

⁷ Facsimile of Swedish Encyclopaedia published 1918 <http://runeberg.org/nfcg/0572.html>

⁸ <https://skr.se/tjanster/englishpages.411.html>

⁹ SKR receives membership fee from both municipalities and regions, thus the total amount received per inhabitant is approximately 5 euro.

¹⁰ <http://kvalitetsregister.se/>

Together with the Ministry of Finance, SKR is also responsible for the national data base for municipalities and regions¹¹. This database “Kolada” contains 5,000 different indicators and several tools for making benchmarking easy and meaningful. The different data sets come from state agencies, the national office for statistics and from SKR itself. The database is completely public and used by local and regional politicians, staff, government agencies, media, interest organisations and others with an interest of knowing how municipalities and regions are doing on specific tasks.

SKR has built a very strong reputation as an interest organisation that is trustworthy and capable of presenting the local and regional realities as well as the consequences of different proposals for its members. Apart from frequent informal consultations between staff and politicians from SKR and the government, the association is often invited to send experts to the different committees that make analysis and proposals for new legislation. Further, SKR give comments on other governments proposals, approximately 60-70 times per year. By law, the government needs to ask for comments by those concerned by a proposal, but the proposals are public and anyone has the possibility to comment, meaning that even if the government would not see a proposal as relevant for sub-national governments, SKR is still entitled to comment on it. Another important way of influencing the national decision-making is through the positions and contacts that the politicians active in the association have within their own political parties.

All formal comments and position papers from SKR are decided by the board, which is committed to the principle of speaking with one voice. Therefore, almost all board decisions are taken unanimously without votes being cast. For the same purpose, the board members from the parties that form the national government are careful not to be seen as advocates of the government.

Poland

Municipalities in Poland do not constitute a uniform category as they vary according to their size, population and pattern of spatial distribution of the human settlements in the municipal territory.¹² Classification of the municipalities derive from ordinary legislation:

- The *Urban municipalities* (*gmina miejska*) differ greatly populations in population size - from 1,300 to more than 1.7 million in the case of Warsaw. There are 302 urban municipalities.
- The *rural municipalities* - (*gmina wiejska*) – are 1,555. This type of municipality includes only the non-urban areas.
- The *urban-rural municipality* (*gmina miejsko-wiejska*) is a type of municipality which includes towns or townships and the area of villages adjacent to them, which in the past were separate rural municipalities. There are 621 urban-rural municipalities.

The type of commune is important in the division of the education subsidy. Rural communes receive 50% more subsidies than municipalities. In the case of urban and rural communes, the rural areas of these communes receive 50% more subsidies than the urban areas of this commune (*gminy*).¹³

Local and regional authorities of Poland have made active use of the right to form domestic associations¹⁴ for the promotion and protection of their common interests: the Association of Rural

¹¹ www.kolada.se

¹² <https://stat.gov.pl/statystyka-regionalna/jednostki-terytorialne/podzial-administracyjny-polski/rodzaje-gmin-oraz-obszary-miejskie-i-wiejskie/>

¹³ Jan Herczyński, Joanna Gorzelak – Siwińska Administracyjna waga wiejska w algorytmie podziału subwencji oświatowej Warszawa 2010 ; <https://glos.pl/oswiatowa-kosc-niezgody-obradowala-komisja-wspolna-rzadu-i-samorzadu-terytorialnego>

¹⁴ Constitution Republic of Poland Art. 172. -[Right to association of local authorities]-.

Communes of the Republic of Poland (ZGWRP)¹⁵, Association of Polish Cities (ZMP)¹⁶, Association of Polish Powiaty (counties) (ZPP)¹⁷, Association of Polish Metropolises (UMP)¹⁸, the Union of Polish Towns (UMP)¹⁹ and the Association of Polish Voivodeships (Regions)(ZWRP).²⁰

The oldest is the Association of Polish Cities was established in 1917 and operated until 1939. It was then reactivated by the 60 cities in 1991. Likewise, the Union of Rural Communes was founded in 1920 and reactivated in 1993. The Reactivation by the unions was possible after the establishment of a new territorial division of Poland. From the beginning of its existence, also before the war, the organisation lived on membership fees. The rate of the membership fee is calculated on the basis of the commune's population.

The law does not specify any necessary criteria for an association to be recognized as a legitimate representative of the its members. It is also possible for one local government to belong to more than one association. All the above six associations are recognized in the legislation regarding mandatory consultations with the central government²¹ and hence as representatives of local authorities on the national level. They play an active role in the representation, defending and advancement of local interests, and they negotiate on a regular basis with the central government on major developments affecting local interests, essentially within a Joint Committee.

This *Joint Government and Local Government* Committee was established in 1993²², shortly after the ratification by the President of the Republic of Poland Lech Wałęsa of the European Charter of Local Self-Government which concerned, inter alia, guarantees of the independence of local governments and their powers to influence government policy regarding local government matters²³.

The Joint Committee is a bilateral body, with equal representation of associations of the territorial self-government units and central government. In 2005 it was regulated by a specific statute (Law on the Joint Committee of Government and Local Self-Government and on the Representatives of Polish Republic in the Committee of Region of the European Union of 6 May 2005).²⁴

The Joint Committee is composed of 12 representatives of the government and local governments . The government side is represented by the Minister of Interior and Administration and 11 representatives appointed by the Prime Minister at the request of the minister. The self-government side is represented by two persons from each of six organizations defined by government regulation i.e. the ones mentioned above.²⁵

The work of the Committee is managed by two Co-Chairmen, on the government side it is the minister of Administration and Public Affair and on the local government side one co-chairman

¹⁵ www.zgwrp.pl

¹⁶ www.miasta.pl

¹⁷ www.zpp.pl

¹⁸ www.metropolie.pl

¹⁹ <http://ump.home.pl/ump/index.php>

²⁰ www.zwrp.pl

²¹ Act of 6 May 2005 on the Joint Government and Local Government Commission and on representatives of the Republic of Poland in the Committee of the Regions of the European Union

²² <https://www.gov.pl/web/mswia/komisja-wspolna-rzadu-i-samorzadu-terytorialnego>

²³ Igor Zachariasz, I. Geneza Komisji Wspólnej Rządu i Samorządu Terytorialnego. Samorząd Terytorialny 2015 - 25(12): 15–24.

²⁴ Hubert Izdebski Pozycja ustrojowa Komisji Wspólnej Rządu i Samorządu Terytorialnego. Samorząd Terytorialny 2013 nr 23(12): s. 7–20

²⁵ <http://www.kwrist.mswia.gov.pl/>

selected by and from within the group of LGA representatives. Persons from outside the Committee may participate in the work of the Commission, both in the work of individual teams and as experts

The main tasks of the Joint Committee are:²⁶

1. Developing a common position of the Government and local self-government on the establishment of economic and social priorities in matters concerning:
 - a) Municipal economy and the functioning of the municipal and powiat self-government;
 - b) Regional development and the functioning of the voivodship self-government; issuing opinions on draft normative acts, programs and other government documents concerning the issues of local government
2. Evaluation of the functioning of local government in the context of integration with the European Union
3. Working out a common position of the government and local government parties in the field of "setting economic and social priorities" in matters relating to all levels of local government
4. Expressing opinions on draft normative acts, programs and others government documents regarding the issues of local government, including those defining the relations between the local government and other public administration bodies.

The Committee expresses its opinion by agreement by both parties. The Committee's opinion may include separate opinions on specific issues. In case of absence of agreement, each party adopts its own opinion. Each of the Committee's parties may take a stance on a matter concerning local self-government. In cases where separate provisions provide for the obligation to consult the Joint Committee or local government party opinion of the Committee on the draft normative act, or any other document, the term of expressing an opinion on the project is 30 days from the date of notification of the project. Failure to submit an opinion within the deadline means resignation from the right to express it.²⁷

The Commission gives an opinion, subject to prior determination by both parties; however, it is possible to leave a case without agreeing on a common position. Minutes are drawn up from the meeting of the Joint Commission and the permanent and ad hoc problem teams. Opinions and positions expressed therein are then communicated to the relevant ministers. The detailed procedure of the Committee's work is established by the Committee's Regulations .

Despite the fact that the intensity of work and the actual importance of the Commission varied greatly during the governments of individual cabinets, the Commission has always been an important place for the local authorities.²⁸

²⁶ Justyna Przedzińska, Michał Szwał . Komisja wspólna rządu i samorządu terytorialnego – w stronę upodmiotowienia samorządu terytorialnego. Ruch prawniczy, ekonomiczny i socjologiczny zeszyt 4 - 2019.

²⁷ Anastazja Gajda Komentarz do ustawy z 6.5.2005 r. o Komisji Wspólnej Rządu i Samorządu Terytorialnego oraz o przedstawicielach Rzeczypospolitej Polskiej w Komitecie Regionów Unii Europejskiej Kwartalnik Prawa Publicznego 5/3, 267-293; Piotr Sularz. Odrzucenie zasady reprezentatywności w Komisji Wspólnej Rządu i Samorządu Terytorialnego. Dialog rząd – samorząd czy dialog rząd – organizacje jednostek samorządu terytorialnego. Przegląd Prawa Publicznego 2017 – nr 3: 114–128.

²⁸Krystian M. Ziemiński, Maciej Kielbus. Raz jeszcze o potrzebie kodyfikacji prawa samorządowego. Wspólnota 27.05.2020

Other kinds of associations

Besides the national LGAs, there are associations of municipalities for a number of different purposes. There are regional associations, associations of municipalities engaged in different topics e.g. environment or for providing specific services to its members. Municipalities are free to join them and contribute to their objectives.

One such example is the Swedish association Sambruk²⁹ which is producing software to be used by municipalities. These are mainly administrative applications, designed to facilitate the work of municipal staff in specific areas. The software is developed in projects with participation of concerned municipalities. The approach is similar to Inera³⁰, which is a company formed by Swedish regions to develop IT-applications and facilitate digital cooperation and exchange of information between welfare actors. Both Sambruk and Inera are examples of how initiatives by sub-national actors to cooperate can be complementary to the services provided by the market.

No municipal association has larger financial capacity than the Swedish Kommuninvest³¹. The association is the owner of the financial institute with the same name, the largest lender to Swedish municipalities with a total funding of more than 40 billion euro and the highest possible credit rating from both international credit rating institutions – Moody's and Standard & Poor's. Kommuninvest is capable to lend cheaper and give credits to its members, the municipalities, at lower interest rates than the commercial banks, thanks to the fact that municipalities cannot go bankrupt and have a steady cash flow through the monthly transfers of personal income tax. Similar municipal banks exist in e.g. the Netherlands and have made municipal borrowing and thus investments considerably cheaper.

Regional associations of local authorities exist in different forms. In Turkey some of the regional unions are particularly strong, such as the Marmara Union of Municipalities³² (MUM), which organises 190 municipalities in the 13 provinces that form the Marmara region. With Istanbul as the main hub, the region has a population of more than 26 million inhabitants. The MUM has a large secretariat with ten departments and directorates, several active networks, a local government academy etc. and plays the role that larger national associations of local governments normally play. Also in other regions of Turkey, municipal unions play important roles. They are all formed on a voluntary basis, but are regulated by the Turkish Law on Municipal Unions³³.

In Sweden, the former association of municipalities that later merged with the association of regions into what is now SKR used to have regional chapters with their own secretariats. These chapters played an important role not only for bringing the services of the association closer to its members, but also as an arena for coordinating the municipal input to the regional planning processes, at that time a responsibility of the regional dependencies of the state administration. This was further enhanced by the fact that the municipalities in a region had the right to elect a number of members of the board of the regional state administration.

The wider picture

²⁹ www.sambruk.se

³⁰ www.inera.se/

³¹ <https://kommuninvest.se/en/>

³² <http://en.marmara.gov.tr/>

³³ Law No: 5355

At the larger arena, local governments, regions and their associations cooperate in organisations like the Council of European Municipalities and Regions³⁴ (CEMR) with similar structures working in other continents. Globally the World Organisation of United Cities and Local Governments³⁵ (UCLG) is gathering municipalities, regions and their associations from 140 countries.

Other associations organize e.g. municipalities within the British Commonwealth³⁶ and mayors from French speaking cities³⁷.

In Europe, the Congress of Local and regional Authorities of the Council of Europe³⁸ has a special role in defending the interests of sub-national governments through the monitoring of compliance with the European Charter of Local Self-Government. The delegates to the congress are often nominated through the national LGAs, which also can function as secretariat for the delegations.

Numerous Europe-wide and international specialised associations also exist, such as European Association of Maritime Regions, Eurocities, smart city association, energy efficient municipality forums, macro-regional associations of local authorities (eg Union of Baltic Cities, Mediterranean association), and so on. Participation in them is also an autonomous wish and decision of each individual member.

Conclusions

The international experiences show that there are some natural roles for a LGA to take on. Through “scale of economy” LGAs have possibilities to provide their members with services at a much lower cost than if each municipality should cater for themselves. And in the consultations between the central government and the local and regional sectors LGAs generates a torque that empowers the individual municipalities, when capable of speaking with one voice. For the central government side, this is also a benefit as a well-functioning LGA is capable give valuable information on which consequences a certain proposal would have in different type of settings and can harmonize sometimes conflicting interests into one current.

In mature systems for local self-government different kinds of sub-national governments tend to merge into one association. Likewise, the experience shows that in less mature systems or where the conditions for different kinds of municipalities vary a lot, there is a need for more than one association in order to make it possible for all interests to be heard.

Further, cooperation between local governments can take many different forms and pursue many objectives, from the development of joint IT-solution to provision of cheap credits. The examples of such innovative solutions come mainly from countries where LGAs are free to act as any other association and not locked into a tight role defined in a law on local government associations.

³⁴ <https://www.ccre.org/>

³⁵ <https://www.uclg.org/en>

³⁶ <https://www.clgf.org.uk/>

³⁷ <https://www.aimf.asso.fr/>

³⁸ <https://www.coe.int/en/web/congress/home>