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Second-tier local authorities – intermediate governance in Europe

Governance Committee
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Summary

Intermediate or second-tier local authorities have a well-established role in many Council of Europe member states, providing an important level of accountability, achieving economies of scale, increasing the efficiency of public service provision and delivering services which may not be possible for municipalities. The Congress, concerned that the current economic crisis is inciting some governments to reorganise their territorial architecture with hasty and ill-considered reforms that risk doing lasting damage to local and regional democracy, resolves to intensify its efforts to ensure that territorial reforms are carried out for the benefit of citizens and in full consultation with all levels of government.

[1] L: Chamber of Local Authorities / R: Chamber of Regions
ILDG: Independent and Liberal Democrat Group of the Congress
EPP/CD: European People's Party – Christian Democrats of the Congress
SOC: Socialist Group of the Congress
ECR: European Conservatives and Reformists Group
NR: Members not belonging to a Political Group of the Congress
NPA: No political affiliation

Second-tier local authorities – intermediate governance in Europe

RESOLUTION 351 (2012)[2]

1. Many member States in the Council of Europe have a long tradition of a local government structure organised in several tiers. Each country, according to its own traditions and history, shapes its own institutional architecture, with a view to achieving better-targeted service provision, a good level of political representation with transparency and accountability, and an effective allocation of competences between different levels of government.

2. Furthermore, in most Council of Europe member States a number of important functions are entrusted to intermediate local authorities, such as those relating to the environment, economic development, transport and education. For these functions those authorities have resources of their own. In compliance with the principle of fiscal autonomy, those intermediate authorities benefit from fiscal resources.

3. The current financial crisis has prompted a number of national authorities to propose radical overhauls of their local government structures, with a view to simplifying these structures, reducing the number of tiers, even cutting out levels. Those authorities most at threat from such proposals are predominantly the second-tier local authorities.

4. The Congress of Local and Regional Authorities of the Council of Europe welcomes the efforts of the European associations of local and regional authorities, such as the CEMR (Council of European Municipalities and Regions), the AER (Assembly of European Regions) and the CEPLI (European Confederation of Local Intermediate Authorities), which represent the different levels of territorial authority and help to champion and defend the importance of local democracy and the application of the subsidiarity principle.

5. The Congress is particularly appreciative of the efforts of the CEPLI, to defend the intermediate level of governance in countries where it is, or has been, called into question.

6. The Congress has in particular taken note of the Salerno Manifesto adopted by the General Assembly of the Latin Arch (Ravello-Salerno, 16 March 2012) in which its members called for a renewed role for intermediate local governments in Europe and expressed the wish that any process of reforming or renewing the institutional architecture should guarantee the role of intermediate local authorities as key players in good local governance.

7. The Congress is concerned that local government reorganisation proposals are being introduced hastily and reminds all actors that the spirit of the European Charter of Local Self-Government (ETS No. 122) and the principles of multilevel governance, where responsibility is shared between different tiers of government which co-ordinate their work in a manner to best represent citizens, should be respected so that local democracy is not eroded.

8. The Congress, reaffirming the principle of subsidiarity, whereby central authorities should carry out only those tasks which cannot be performed effectively at a more intermediate or local level, is convinced that the number of tiers of decentralised authorities in a member State should be proportionate to its geographic size.

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[2] Debated and adopted by the Congress on 18 October 2012, 3rd sitting, rapporteur E. Verrengia, Italy (L, EPP/CD).

9. In this connection, the Congress is particularly concerned by the reorganisation plans, including in Italy, that indicate that these authorities will no longer be directly elected, which would weaken local democracy at this level of governance.

10. The Congress therefore, referring to the European Charter of Local Self-Government and the Council of Europe Reference Framework for Regional Democracy:

a. calls on national associations of local authorities to:

i. lobby their governments to carry out any territorial reorganisation in a careful and managed way, with proper planning and due respect for the European Charter of Local Self-Government;

ii. ask that the direct election of councillors be maintained in order to preserve local democracy at this level of governance;

iii. ensure that they are properly consulted before any reforms are introduced;

b. resolves to continue to support structures and procedures that aim at safeguarding and further developing citizens' rights, keeping their access as close as possible to political decision makers, and to co-operate with the CEMR and the CEPLI in representing the interests and developing the work and capacity of second-tier local authorities;

c. would like to see an organic reform of local intermediate authorities which, while revising territorial boundaries, reiterates, in the spirit of the European Charter of Local Self-Government, the democratic nature of these authorities and maintains the direct election of the governing organs by citizens;

d. asks its Governance Committee to keep this issue under review.

Second-tier local authorities – intermediate governance in Europe

RECOMMENDATION 333 (2012)[3]

1. Intermediate or second-tier local authorities have a well-established, and often very varied, role in many member States of the Council of Europe, where they provide an important level of accountability of elected representatives and constitute an integral part of the national structure of political representation and territorial organisation. Even with key differences between countries, they have in general important functions and responsibilities, achieving economies of scale and thereby increasing the efficiency of public service provision and delivering services which may not be possible for local authorities.

2. It can therefore be stated that, in a high proportion of Council of Europe member States, a number of central functions relating to the environment, economic development, transport and schools are entrusted to intermediate local authorities. For these functions those authorities have resources of their own which, in the name of fiscal autonomy, come from taxes.

3. An important aspect of local territorial organisation and of the fundamental principles of subsidiarity and accountability are the taking of decisions and the delivery of services at the level closest to the citizen.

4. The size and the varied institutional set-up at sub-national level of Council of Europe member States can provide a strong rationale for the existence of several tiers of government in some States, notably those with a tradition of federalism and those covering a larger geographical area.

5. However, over the past twenty years, there has been a tendency for both local and regional levels to gain powers at the expense of the intermediate level.

6. Where central authorities undertake local government reorganisation, care must be taken to respect the principles and standards of democracy and subsidiarity. Any new territorial organisation must be preceded by a broad discussion with all levels of governance.

7. The European Charter of Local Self-Government (ETS No. 122) makes it clear that local authorities have a right to be consulted about any policy changes that directly concern them and refers specifically in this respect to boundary changes, which are often linked to changes to local government structures.

8. The Congress of Local and Regional Authorities of the Council of Europe is concerned that some governments are taking advantage of the current economic crisis to reorganise their territorial architecture with hasty reforms without broad prior consultation and dialogue, with the risk of creating lasting damage to local and regional government and local democracy. Reforms that substantially reduce the number of elected representatives at sub-national level as well as increasing the distance between decision-making centres and local populations can have a negative impact on trust in local governance. This is all the more so if – as might be proposed, in Italy in particular – members are no longer elected by direct ballot, but in an indirect election.

[3] Debated and adopted by the Congress on 18 October 2012, 3rd sitting, rapporteur E. Verrengia, Italy (L, EPP/CD).

9. Territorial reforms need to be carefully thought out and to respect the principles of local democracy, with clear allocation of tasks and responsibilities and concomitant financing. When changes are made to the institutional architecture, care has to be taken that resources are properly reallocated and that tasks and services are not left underfunded.

10. The Congress welcomes the efforts of the European Confederation of Local Intermediate Authorities (CEPLI) to defend the intermediate level of governance in countries where it is called into question.

11. The Congress also notes the stance taken by the Latin Arch association which, by adopting the Salerno Manifesto at its General Assembly held in Ravello-Salerno on 16 March 2012, called for a renewed role for intermediate local governments in Europe and expressed the wish that any process of reforming or renewing the institutional architecture should guarantee the role of intermediate local authorities as key players in good local governance.

12. The Congress therefore, referring to the European Charter of Local Self-Government and the Reference Framework for Regional Democracy, recommends that the Committee of Ministers invite member States to ensure that:

a. when territorial reorganisation is envisaged, the principles of multilevel governance are respected, notably that the division of responsibilities between different levels of government ensures maximum efficiency in meeting the needs of citizens;

b. proposed changes to the number of tiers of government are reviewed in the light of the principle of subsidiarity;

c. any territorial reorganisation is carried out in a careful and managed way, with proper planning and due respect for the European Charter of Local Self-Government, notably with regard to the provisions on the need to consult local authorities on all matters which concern them directly and to ensure that the competences of sub-national authorities are commensurate with their financial resources;

d. reforms are implemented with minimum disruption to public services but lead to clear identification of the functions entrusted to the different levels of territorial governance, and, with a view to curbing costs, preference is given to rationalising those bodies which – in their areas – exercise similar functions;

e. these reforms are carried out organically and that – while revising territorial boundaries – the democratic nature of these authorities and the direct election of their governing organs by citizens are reaffirmed.

Second-tier local authorities – intermediate governance in Europe

EXPLANATORY MEMORANDUM[4]

I. Introduction

a. Definition of intermediate authorities

1. The first task when dealing with intermediate local authorities is to clarify what they are, given the wide range of countries concerned and the differences in their size, territorial and institutional architecture and the legal and constitutional systems in place. The present-day tendency, where territorial organisation is concerned, has been to favour, over the long term, a relatively wide tier, that may take the form of regions, whatever name might be given to this tier. For reasons that are more economic and financial than purely administrative, a pattern is emerging where local authorities are becoming more concentrated, through a process in which intermediate local authorities are liable to be the prime casualties.

2. Intermediate local authorities are not always clearly defined in the various European countries. They are local authorities that are situated between the basic unit of local government, usually municipal, and a tier similar to that of the region or other local authorities endowed with significant decision-making powers, i.e. a level that lies just below national state level. Such authorities necessarily raise the question of multilevel governance, in which the intermediate or supra-local tier occupies a central and hence crucial place, precisely because it is in the middle. Within the European Union, multilevel governance is considered to mean "coordinated action by the European Union, the member states and local and regional authorities, based on partnership and aimed at drawing up and implementing EU policies. It leads to responsibility being shared between the different tiers of government concerned and is underpinned by all sources of democratic legitimacy and the representative nature of the different players involved. By means of an integrated approach, it entails the joint participation of the different tiers of government in the formulation of Community policies and legislation, with the aid of various mechanisms (consultation, territorial impact analyses, etc.)".

3. One of the questions that arises when seeking to define intermediate local authorities is whether they belong to the local level or the regional level. Different countries will have different answers depending on the constitutional and administrative arrangements in place. This divergence of approach has tangible consequences, for to regard intermediate local authorities as ordinary local authorities, like communes or municipalities, the basic unit of local government, is to view them as mere administrative authorities, responsible for handling public-service missions, however numerous these may be. To treat them as "regional" authorities would be to see them as having powers beyond merely administrative functions. The general trend, however, is to consider such authorities at local level, i.e. to tie them in with the municipal level, as local authorities and not as regional authorities, in the sense in which this term is used in federal states or in countries which have strong regional government.

b. Current trends

4. In recent years, most of the territorial reforms undertaken in Europe have focused on the position of second tier local government. In western Europe, the regionalisation process begun in some countries has continued in federal states no less than in unitary ones (increased powers for the *Länder* in **Germany**, but also for **Spain's** Autonomous Communities, or at least some of them, such as Catalonia). An even more recent trend, engendered by the economic and financial crisis, has been a sort of recentralisation in favour of central government and a decrease in the powers transferred to

[4] Prepared with the contribution of Michel Verpeaux, Professor, University Paris I, France. Adopted by the Governance Committee on 31 May 2012.

local bodies. This shift is particularly marked in **Spain,** to the detriment of the Autonomous Communities, but also in **Italy**, this time to the detriment of the intermediate authorities. In both instances, it is the crisis that is driving the move.

5. In **France**, Act II of the decentralisation process, begun in 2004, set out to strengthen regional government but in the end, it was the departments which benefited most from the transfers of powers. The 2010 local and regional government reform was carried out, largely for the same economic reasons as in other countries, on the basis of a convergence of departments and regions, although it is too early to say which tier of government will ultimately prevail.

6. The economic and financial crisis that is affecting most countries in Europe is liable to speed up the process of local government amalgamations and to bring about reforms which, while they may be desirable in terms of efficiency, would probably not have taken place had circumstances been different and which have in many cases been introduced hastily, without consultation.

7. Before trying to identify the threats hanging over intermediate local authorities and ways of dealing with them, some stocktaking is in order.

II. Intermediate local authorities in Europe

8. The place occupied by intermediate local authorities varies according to the country concerned. In order to be considered as such, however, they must satisfy certain conditions: there must be a multilevel system of organisation and they must be recognised as fully-fledged authorities with a guaranteed form of autonomy.

a. General description of intermediate authorities

9. In European countries territorial and local government may consist of one, two or three levels.

10. The single-tier system is found in **Bulgaria**, **Cyprus, Estonia, Finland, Lithuania, Luxembourg, Malta and Slovenia.** All of these countries are small geographically speaking, or have small populations. By definition, they do not have intermediate local authorities.

11. Thirteen countries have a two-tier system: **Austria, the Czech Republic, Denmark, Greece, Hungary, Ireland, Latvia, the Netherlands, Portugal** (excluding Madeira and the Azores), **Romania, Slovakia, Sweden and Turkey**. These countries may see developments aimed at changing local government, by seeking to concentrate administrative functions in the interests of efficiency for example, but they cannot properly be said to have “intermediate” local authorities.

12. Other countries have a three-tier system of territorial organisation, with wide variations owing to the fact that some are unitary states, others are federal states and yet others are highly regionalised. It is here that we are likely to encounter the concept of intermediate local authorities.

13. Of these states, four, which cannot be described as federal, have three tiers of local government: **Spain** (with 8,111 municipalities, 50 provinces and 17 autonomous communities), **France** (with 22 regions including Corsica but not counting the overseas regions, 96 departments not counting the overseas ones and 36,683 municipalities), **Italy** (8,101 municipalities, 103 provinces and 20 regions), and **Poland** (2478 municipalities, 314 counties and 16 regions).

14. The Polish counties thus constitute the intermediate tier. Their status is defined in the County Government Act of 5 June 1998.

15. In **Poland**, relations between the different levels of territorial administration are not arranged hierarchically between the regions, counties and municipalities. This means that the upper tier does not control the lower tier, and each one exercises its own powers and responsibilities. Whereas the region handles regional policy, the main role of the intermediate tier is to manage local policies, in over twenty areas including health, public education, social security, disability policy, public transport and roads, culture, heritage conservation, tourism, public order and public safety and the environment.

16. The central authority, i.e. the Government and the Parliament, also decide the transfer of powers to be exercised at local level. The main problem concerns the resources that are needed to exercise these new powers, raising the risk of conflict with the country's constitutional principles, most notably those enshrined in Articles 166 and 167 of the Constitution on the definition and transfer of powers and the distribution of public revenues.

17. Co-operation between the municipalities, counties and central authorities is managed by a joint commission made up of representatives of central and local government, which discusses *inter alia* draft laws on the functioning of local authorities. It is within this commission that the intermediate authorities make proposals concerning financial matters and that infrastructure projects are conducted, such as the national programme for local roads.

18. Two of these four states which have a three-tier structure, **Spain and Italy**, had robust regionalisation or self-government policies in the 1980s and 1990s, which may explain why there are three tiers of local government, with the top one being far removed from the concept of local authority and having a status akin to that of a federal state. The provincial level has been maintained despite the regionalisation policy launched in 1990. Given the geographical size and large populations of these countries, it may seem logical that they should have three tiers of local government, even if the top tier does not fit (or no longer fits in the case of **Italy**) the definition of a local authority.

19. In **Italy**, Article 114 of the Constitution states that:

> "The republic consists of municipalities, provinces, metropolitan cities, regions, and the state.
> (2) Municipalities, provinces, metropolitan cities, and regions are autonomous entities with their own statutes, powers, and functions according to the principles defined in the Constitution."

20. The provinces are dealt with at the same time as basic-level local authorities, namely the municipalities or metropolitan cities, and all are entrusted with administrative functions, as stated in Article 118.

> "Administrative functions belong to the municipalities except when they are conferred on provinces, metropolitan cities, regions, or the state in order to guarantee uniform practice; the assignment is based on the principles of subsidiarity, differentiation and adequacy.
> Municipalities, provinces and metropolitan cities have their own administrative functions and, in addition, those conferred on them by the law of the state or the region according to their respective fields of competence".

21. There is no specific provision for Italian provinces, of the kind that is made for the regions, in Article 117. Under the latter, moreover, Italy's regions are recognised as having highly developed normative powers: "Legislative power belongs to the state and the regions in accordance with the Constitution and within the limits set by European Union law and international obligations". The intermediate authorities are clearly differentiated from the top tier, therefore.

22. Nor are the provinces listed by name, unlike the regions which are listed in Article 131. This is understandable, however, given that there are 103 provinces in Italy.

23. Article 137 of the **Spanish** Constitution (in Title VIII "Territorial organisation") states that "The State is organised territorially into municipalities, provinces, and the Autonomous Communities which may be constituted. All these entities enjoy autonomy for the management of their respective interests". While all local entities would thus seem to be placed on the same level, there are nevertheless some subtle differences. Chapter II of Title VIII is devoted to "Local administration" (Arts. 140 to 142), while Chapter VIII is entitled "Autonomous Communities" (Art. 143 et seq.)

24. The Spanish Constitution makes a distinction, therefore, between genuine local authorities, i.e. municipalities and provinces, and local authorities with regional status. Article 140 guarantees the autonomy of municipalities, whereas Article 141 reads:

> "The province is a local entity with its own legal personality determined by the collection of municipalities and territorial division for the fulfilment of the activities of the State. Any

alteration in the provincial limits must be approved by the Parliament by means of an organic law.
(2) The government and Autonomous Administration of the provinces shall be trusted to Deputations or Corporations of a representative nature.
(3) Groupings of different municipalities of the province may be created".

… Article 142 is likewise meant to apply to municipalities and provinces: "The local treasuries must have the means necessary for carrying out the functions which the law attributes to the respective corporations and they shall be supported basically by their own taxes and by sharing those of the State and the Autonomous Communities."

25. In **France**, the departments are territorial authorities and are enshrined in Article 72, para. 1, of the Constitution, in the list of territorial authorities, in the same way as municipalities and regions (which have been embedded in the Constitution since 2003). Whereas the departments date from the French Revolution, however, the regions have been recognised as territorial authorities only since 1986, and referred to as such in the Constitution only since 2003. Within the pyramid of local government, the regions were introduced without any initial effect on the existing authorities. Like the other two types of authorities, the departments operate according to a standardising set of rules that means they are authorities governed by ordinary French law. In addition, the law that applies to these three tiers of local government is very similar, except for a few specific institutional features and save where the division of powers and responsibilities is concerned.

26. To this list of four countries may be added a fifth, the **United Kingdom**, where the devolution policy introduced after 1997, by the Labour Government, created a specific tier of local government in Scotland, Wales and Northern Ireland. Scotland has a parliament with judicial powers, Wales an Assembly and the Northern Ireland Assembly also has judicial powers. Prior to the election of these bodies, in 1999, there was a single tier of local government which was a result of the two original tiers, County and District Councils being merged by the previous Conservative Government in the 1990's. In England there are four types of local government structure in different parts of the country. In some areas County Councils (first tier) control most of the main functions of local government, above the District Councils (second tier) and Town/Parish Councils (third tier), though District Councils report directly to central government on important matters such as planning. Some elected members of County Councils also sit on District and/or Town/Parish Councils. Unitary Councils (first tier) exercise all the functions of County and District Councils and in rural areas often have Town/Parish Councils (second tier) beneath them. Metropolitan Councils (first tier) are in largely urban areas and usually have no second tier authorities beneath them. There is a special status for the capital, London, which has 33 Borough Councils (second tier) which sit below the Greater London Assembly (first tier).

27. It is important to consider as a separate case federal states whose third tier is not a local government tier but rather that of a fully-fledged state, with extensive powers and a substantial degree of autonomy. Federated states of this kind, however, exercise local powers in relation to the state level proper, which is a national level, and their existence leads to the formation of intermediate local authorities, which are situated somewhere between the federated states and the municipalities.

28. **Germany**, for example, has 16 *Länder* (including three city states), and 295 *Lankreise* which are considered as the intermediate level, plus 12,196 municipalities.

29. By way of comparison, however, **Austria**, which is also a federal state, has nine *Länder*, but only 2,357 municipalities or *Gemeinden* and no intermediate local authorities.

30. In **Belgium,** which has been a federal state since 1994, there are 10 provinces (5 in the Walloon Region and 5 in Flanders) and 589 municipalities. The fact that there is a three-tier structure, even though the country is not large geographically speaking, can be explained by the recent moves towards federalisation, whereby a third layer of local government was added to the two, more traditional layers, with no attempt being made, as yet, to abolish either of these existing tiers.

31. Unusually, Article 5 of the Belgian Constitution provides a list of the provinces that make up each region, in an effort to protect them from any sudden urge which lawmakers may have to abolish some or all of these provinces.

> "(1) The Walloon Region is made up of the following provinces: Walloon Brabant, Hainaut, Liege, Luxemburg, and Namur. The Flemish Region is made up of the following provinces: Antwerp, Flemish Brabant, West Flanders, East Flanders, and Limburg.
> (2) By law, the territory can be divided into a greater number of provinces, if necessary."

32. So while the law may create new provinces, it cannot abolish them, under the Constitution as it stands at present. In Brussels-Capital, the local authorities of the nineteen municipalities are incorporated in a region, which also performs the functions of a province.

33. Of these various countries that have intermediate local authorities, some are seeing developments that are liable to disturb the status quo.

***b*. The latest developments concerning intermediate local authorities**

34. Intermediate local authorities have seen a number of recent reforms, almost all of them aimed at curbing their powers.

35. In **France**, there is no question that, since the introduction of regions as territorial authorities in 1982, the departments have been the target of extensive criticism, and indeed "threats" to their very existence. Abolishing the departments, as a type of local government, would require an amendment to the Constitution. The territorial reform begun in 2010 is concerned primarily with the departments, both their elected bodies and their powers and responsibilities. The uncertainty arises from the fact that this reform deals with departments and regions in an overarching way.

36. The "territorial councillor" is one of the new electoral features introduced by the Territorial Authorities Reform Act of 16 December 2010. In theory from 2014, territorial councillors will be elected to the general councils, which will be merged to form the new regional council, according to a process designed to respect the existence of both local assemblies (Section 5 of the Act). Under this act, therefore, the territorial councillors will replace the current general (i.e. departmental, to use an old term, which the drafters of the 2010 Act preferred not to call into question) and regional councillors, yet both assemblies will continue to operate, each at their own level. The term "territorial" has the advantage of not giving undue emphasis to either of the existing tiers and of allowing some doubt to remain as to a possible merger between the departments and the regions.

37. The creation of an elected representative who is required to "serve" both the departments and the regions was deemed preferable, initially at any rate, to simply abolishing the departments, as had been proposed in 2008 by a committee tasked with making proposals for "freeing growth", and which would have required an amendment to Article 72, para. 1, of the Constitution. It was also deemed preferable to abolishing a number of departments or regions, as had been suggested by the committee for local government reform chaired by the former Prime Minister Edouard Balladur. The Act of 16 December 2010 did, however, provide for and ease the mechanisms for merging departments and regions, as demonstrated by the current plan to merge territorial authorities in Alsace in order to create a single authority in place of the region and the two existing departments. These new territorial councillors are thus part of the wider plan to rationalise the powers and public spending of the departments and regions, because the current two-tier arrangement has often been seen as a somewhat pointless stacking of layer upon layer of administration.

38. Unifying the territorial authorities, namely the departments and regions, is also, according to the Act of 16 December 2010, about trying to clarify powers and responsibilities. In the original bill, this was to have been achieved through a statutory definition of the powers and responsibilities of the regions and departments so as to avoid an overlapping of departmental and regional activities. This calling into question of the "general competence" enjoyed by departments and regions has met with widespread resistance, including in the legal sphere, and any action along these lines has been pushed back to 2015. It is likely that, with the new parliament elected in June 2012, there will be reforms along the lines presented above.

39. In **Belgium**, when it comes to prospects for change, a distinction needs to be made between the situation in the Walloon provinces and that which obtains in the Flemish provinces.

40. The reform of the Belgian state, through the Special Institutional Reform Act of 13 July 2001, represents a watershed in the history of the Belgian provinces and their incorporation in the federal system and paves the way for the transfer to the Regions of certain powers and responsibilities relating to local authorities, i.e. chiefly the provinces and the municipalities.

41. Under these provisions, which came into force on 1 January 2002, the Walloon and Flemish Regions, each in respect of their own constituent provinces, now have the authority to deal with numerous aspects of the organisation and functioning of provincial institutions. With some exceptions, it now falls to the Regions to, for example, determine the composition, organisation, competence and functioning of provincial institutions, to decide any change or rectification of province boundaries, to supervise associations of provinces and to provide for the general funding of the provinces.

42. This 2001 reform reinforces and gives practical effect to the principle, enshrined in 1993, that the provinces are, first and foremost, component parts of the Regions. This institutional shift has had numerous practical consequences. In positive law, regional governments have the power to appoint provincial governors (albeit subject to the approval of the federal government). Likewise, regional governments exercise general supervision over the activities carried out by the provinces.

43. The transfer to the Regions of powers and responsibilities relating to local government has allowed each of them to develop their own provincial framework legislation and to make changes thereto, not least in order to modernise the institutions concerned (e.g. in the Walloon Code of Local Democracy and Decentralisation).

44. The provincial institutions have been adapted to fit the Kingdom's federal structure and are the focus of a number of streamlining and modernisation measures. Despite these measures, however, the provinces have managed to retain most of the features and powers possessed by them, as first-tier, democratically elected bodies, since 1831.

45. The pace of reform has accelerated, however. Following the regional elections on 7 June 2009, the Walloon government suggested launching an exploratory process to produce a more radical reform of provincial institutions. The Walloon regional policy statement for the period 2009 – 2014 accordingly states that: "in order to simplify the institutional landscape situated between the Region and the municipality, the Government will reform the provincial institution in order to transform it, in time and following revision of the Constitution, into an appropriate community of territories, as an entity for managing supra-municipal interests, giving political direction to the intermunicipal structures, supporting municipal policy and devolving regional and community tasks within the framework of the strategies established by the Region and/or the Communities".

46. The goal is fairly ambitious, being to "transform the provincial institution into a community of territories on the scale of population catchment areas, as a policy-making body, with a three-fold mission: to devolve regional or community policies, to manage supra-local interests, including giving political direction to the intermunicipal structures within its territorial jurisdiction, and, lastly, to support municipal policy".

47. As stated by the Walloon government, implementing this planned reform requires an amendment to the Constitution. This potential obstacle was removed, however, in the political negotiations leading up to the agreement on 11 October 2011 on the sixth state reform. In order to ensure the feasibility of the proposed provincial reform, it is planned to supplement Article 195 of the Constitution (which is itself open to revision) with a temporary provision that will allow, during the present legislature, the revision of, *inter alia*, provisions on the provinces which were not declared open to revision in May 2010.

48. Even though it will probably get through this initial stage, the plan to turn the provinces into communities of territories organised along the lines of population catchment areas is liable to run into other legal problems, not least when it comes to defining these areas.

49. In Flanders, the hope is to reduce the excessively large number of actors involved at the intermediate level in the interests of greater administrative efficiency. At present, the provinces have general (or “open-ended”) competence. They deal with everything beyond the purely local (i.e. municipal) level and provide assistance or support at the request of various partners. The plan being discussed within the Flemish government is to limit provincial powers to matters related to territory (according to an “open-ended” concept of competence) and to reduce the tasks related to people to an exhaustive (or closed) list of powers. Belgian law is no stranger to such distinctions between territorial jurisdiction and personal jurisdiction, as the distinction between the Regions and the Communities shows. The provinces are perceived as being political entities, but are not in fact political entities. The “provincial decree” issued by the Flemish Region would thus be amended, and the municipalities would also be encouraged to enter into voluntary mergers. In the name of subsidiarity, towns and municipalities would be given more powers, the aim being to have just two levels of decision-making in future, the municipal level and the Flemish level. At the same time as the Flemish institutional reform, a revision of Articles 41 and 162 of the Constitution, which regulate the "provincial interest", is being prepared at the federal level. This revision, which requires two thirds majority in the federal parliament, would mean the abolition of the provinces as political, but not as geographic units. It would then be the region of Flanders, which would be responsible for deciding the political structure.

50. In **Poland**, the economic and financial crisis is taking its toll on the finances of the counties and leading to cuts in capital spending in areas within the competence of the intermediate authorities. Local budgets are affected by national decisions, such as the decision to increase teachers’ pay, which comes out of the county budget.

51. While the crisis has not altered the course of territorial reform or the administrative map of Poland, it has sparked a debate about the system of public finances, in particular those of intermediate local authorities. The Polish Association of Counties has entered into negotiations with the government to try to agree on an acceptable level of budget deficit. There are, however, some potential threats to the continued existence of the current system of local government: quite apart from the question of the constitutionality of any legislation that might be passed, reducing the powers of the counties and replacing them with a specific departmental authority would be to underestimate the importance of these historic local communities, which have been the cornerstone of the effort to rebuild local government since 1999.

52. A similar trend towards a reduction in the number of local authorities can also be observed in countries that have only two tiers of government. What is striking, however, is that, in all these reforms, it is the tier of government between the municipal level and the state level that is being targeted. The bottom tier seems to be in a less precarious situation than the middle one.

53. Consider the example of **Denmark** where, even though there is a two-tier system, a pattern similar to that seen in other countries can be observed. The territorial structure has long been organised around municipalities, of which there are 271, and counties, of which there are 13. The internal organisation of local and regional authorities was determined by the 1968 Local Self-Government Act, which applied to all counties and municipalities. The municipalities of Copenhagen, Frederiksberg and Bornholm (the latter since 2003) enjoyed special status, as they were considered to be both municipal entities and counties. Both the basic-level authorities and the counties had “general competence” to act within their administrative boundaries. The reform relating to the traditional administrative division and distribution of powers and functions between central government, the counties and the municipalities, set out to remedy a number of shortcomings, which were attributed partly to the fact that the counties and municipalities were too small, and partly to the inefficient distribution of tasks between the three levels of government. These problems brought with them numerous adverse effects, including a decline in the quality of public services and an increase in the cost of such services in important areas like health care, employment, groups with special needs, special education and taxation.

54. In April 2004, the Government published its own proposals for a new administrative structure and division of tasks between the various tiers of government, entering into negotiations with the political parties in a bid to win their support. The result of this process was an agreement, whereby the existing 13 regional entities (counties) were to be dissolved and replaced by five elected regional authorities.

The basic idea, then, was to move local government up a notch, to an authority covering a larger territory. Although Denmark lacks the kind of three-tier structure without which intermediate local authorities cannot be said to exist, the main reason for abolishing the existing counties and for establishing five new regions was to assign the primary responsibility for health care to a powerful and efficient level of regional government. In this respect, the move is very similar to those seen in countries which do have intermediate authorities. The newly created regional councils are designed to be able to run hospitals and the entire national health insurance service. Besides that, they are expected to undertake other functions as well – that the individual municipality is unable to undertake appropriately – like the running of a number of institutions (mainly for groups with special needs). The regions will also be responsible for the preparation of regional development plans including a general vision for the development of the region within the areas of nature and environment, trade and industry, tourism, employment, education, and culture as well as development in rural districts, and for the establishment of transport companies.

55. It is possible that this reform will lead to a “massive transfer” of powers from intermediate-level authorities to central government, since the plan is for regional councils to be responsible solely for health and some regional development tasks, with other tasks being centralised. For example, responsibility for secondary education, the environment and highways will be handed to central government. Such a move may be seen by some observers as running counter to the principle of subsidiarity enshrined in Article 4, paragraph 3, of the European Charter of Local Self-Government (hereafter referred to as "The Charter").

56. The situation is fairly similar in **Greece**, but has taken a much more dramatic turn owing to the unusually acute nature of the crisis besetting this country, and in the context of a policy to reduce the budget deficit. In January 2010, the Papandreou government introduced a local government reform, christened the Kallikratis plan after the famous architect. The country’s administrative divisions have been simplified, with the creation of 13 “peripheries” or regions. The old “*nomes*” or prefectures have been abolished, drastically reducing the number of elected representatives (from 14,960 to 703). Regional districts have been formed to ensure continuity with the abolished “nomes”, but these do not constitute a tier of government in their own right. The number of municipalities has also been reduced, from 1,034 to 325, helping to halve the number of local elected officials (from 16,150 to 8,070).

c. Establishment of CEPLI

57. It was against the background of these policies aimed at curtailing the powers of intermediate authorities that it was decided to set up CEPLI.

58. In 2008, at a European seminar on the role of intermediate local authorities in EU strategy and the aim of territorial cohesion, associations from nine European countries and two European networks of local authorities, including the Assembly of French Departments (ADF), established the European Confederation of Local Intermediate Authorities (CEPLI).

59. CEPLI is made up of the Assembly of French Départements (ADF), the Association of German Kreise (DLT), the Union of Italian Provinces (UPI), the Association of Walloon Provinces (APW), the Association of Flemish Provinces (VVP), the National Association of Bulgarian Municipalities (ANMRB), the Spanish Federation of Municipalities and Provinces (FEMP), the Union of Prefectoral Authorities of Greece (ENAE), the National Association of Local and Regional Authorities of Hungary (MOOSZ), the National Union of Judet Councils of Romania (UNCJR), the Union of Polish Powiats (UPP) and the associate members, the Arc Latin and Partenalia networks. The Confederation now represents more than 8,000 territorial entities.

60. CEPLI thus represents the departments and other intermediate local authorities, between the municipalities and the regions, in their dealings with the European institutions and promotes exchanges of good practice. CEPLI sets out to provide political representation in the same way as the Assembly of European Regions or the Council of European Municipalities and Regions does. It will be observed, however, that CEPLI includes associations from countries which have a different definition of intermediate authorities from that provided above.

61. CEPLI is therefore the first European confederation of national associations of intermediate local authorities and associated networks. It is intended as a model of co-operation and exchange, serving the interests of its members and Europe, and aims to become a recognised partner of European institutions and of other European and national associations.

62. CEPLI is a forum for discussion and debate, and a platform for sharing models and good practice. It sees itself as having a duty to respect the constitutional aspects of each individual country and to balance the requirements of the democratic process with the need to streamline powers and responsibilities. With the regions becoming increasingly important in most countries, CEPLI is likely to step up its vigilance.

III. Intermediate level of territorial authorities called into question

63. In various countries of Europe, the economic and financial crisis has prompted governments to introduce reforms aimed at curbing the role of intermediate tiers of government, or even abolishing them altogether. Such authorities perform what are seen as vital tasks and other management bodies will have to be found in order to take over these functions. Any move to abolish intermediate local authorities raises tricky issues concerning compliance with legal principles, whether supra-national or constitutional. In this last case, the situation is apt to vary depending on the country.

a. Planned reforms which pose a threat to the intermediate level of local government

64. The moves in question have been prompted by administrative but also political, economic and social considerations, the primary aim being to cut public spending.

65. At present, various reforms are being carried out at the intermediate level, in some cases leading to government proposals about turning it into a second tier of government, for example.

66. **In Italy**, the provinces have been the object of several recent political and legislative initiatives and the situation continues to evolve. This report can therefore only reflect the situation at the time of writing. A first law decree to consolidate public finances, passed on 6 December 2011, as part of a plan to cut public spending by around 13 billion Euros, included measures to "reduce the operating costs of national authorities, the National Council for the Economy and Labour, independent authorities and the provinces" (Article 23 of the decree).

67. Paragraphs 14 to 22 of this Article 23 contain a number of provisions about reorganising the roles and powers of Italy's provinces. Central government and the regions will accordingly be required to transfer (initially by 30 April 2012) provincial powers to the municipalities and, only if it is required to ensure unitary practice, also to the regions, pursuant to the principle of subsidiarity, differentiation and proportionality. Human, financial and material resources must also be transferred, in order to support this handover of powers. An amendment to this decree, adopted on 13 December 2011, set 31 December 2012 as the date for transferring provincial powers to the municipalities or regions.

68. The transfers are coupled with electoral measures: the provincial council, which in future will have only ten to sixteen members, will be elected by the elected bodies of the municipalities situated in the province concerned. A draft law on "modalities for election of the provincial council and of the provincial president" is due to be passed by Parliament by 31 December 2012 (initially by 30 April 2012). The new electoral system, based on indirect election, does not however ensure a fair representation of each constituency and of all political groups.

69. The Union of Italian Provinces has expressed disapproval of these measures concerning the provinces, in particular as regards the method used (i.e. including a territorial reform into a piece of legislation designed to improve public finances). It has also called for the provinces to be grouped together into entities of a size commensurate with the functions they are required to perform.

70. Seven Italian regions and provinces have appealed to the Constitutional Court over the abolition of democratically elected bodies and the elimination or transformation of these authorities.

71. A second law decree to adjust public finances (the so-called “spending review”), issued on 6 July 2012, included additional measures to reorganise the provinces. This law decree aims to cut the number of provinces by nearly half, but it defers to a deliberation of the Council of Ministers the settlement of criteria to merge and match together provinces. Municipalities and regions will be involved in this procedure. Unlike Article 14 of the first decree, which only conferred upon provinces a coordination function with regard to municipalities, Article 17 paragraph 10 of the new decree confers upon them basic functions in several fields (spatial planning, environment, public transportation, roads maintenance and construction and road traffic).

72. In **Romania**, it is the departmental level that is coming under threat. The 41 departmental councils are the country’s local government authorities. Their main role is to co-ordinate the activities of the municipal and town councils. In addition, they possess numerous powers as regards the management of departmental public services, in particular infrastructure, transport, culture, education, health care, child welfare and the elderly, social inclusion, protection of the environment and town planning. In 1999, eight development regions were set up to co-ordinate the regional development required for membership of the European Union. These regions correspond to the European Union’s NUTS 2 level. In 2011, the President of Romania called for administrative and territorial restructuring, but as yet there has been no actual discussion of this proposal.

73. The National Union of Departmental Councils of Romania is ready to get involved in the debate about administrative reform. It believes that intermediate local authorities form a vital link in the national system of territorial organisation owing to the vertical co-ordination of infra-state local authorities which ensures territorial, social and economic cohesion.

74. The situation in **Belgium** and **France,** as described above, means there is a threat to intermediate local authorities in these countries too (see above).

***b*. Strengths and weaknesses of intermediate local authorities**

75. Despite the differences that exist between individual countries, intermediate local authorities are key elements in a system of European government and governance. The reforms under way in certain countries have been introduced somewhat hastily, without consulting the authorities concerned.

76. Any move to abolish or curb the powers currently enjoyed by intermediate local authorities raises the question of how these powers will be handled by other tiers of government and the benefits that such transfers might bring to the populations concerned.

77. It is difficult to see, for example, how responsibility for schools, social services or public highways could be devolved to authorities that are far removed from ordinary citizens. The powers and responsibilities of these intermediate authorities are various, and require authorities to be able to make decisions and legislation to deal with the everyday emergencies that occur in local communities.

78. Numerous powers are exercised by the intermediate local tier, notably in the fields of transport and town planning. The provinces also have responsibilities in areas such as training, employment, the environment, public works, highways and public safety, in an effort to keep government at a level close to the citizen.

79. This level is seen by many as being the most appropriate one in matters relating to social welfare and spatial planning, as local authorities are able to assess what local people need, whilst at the same time remaining objective. They are thus better placed than other tiers to decide whether public services (such as health care or education) should be run by local institutions or, alternatively, delegated to outside authorities or private firms.

80. Even though their powers vary from one European country to another, intermediate local authorities play a key role by providing communities and areas with day-to-day responses to help them cope with the fallout from the crisis. With the specific knowledge that comes from proximity to citizens, these sufficiently large authorities are in a position to respond swiftly and to take the most appropriate action. Intermediate local authorities are introducing ground-breaking initiatives to offset

the impact of the crisis, which would seem to indicate that they have a significant capacity to respond and to galvanise communities in a wide range of circumstances.

81. The abolition or merging of intermediate tiers with other territorial authorities could also undermine democracy, understood in the sense of a service rendered to citizens. Local democracy requires that citizens be able to elect their representatives directly but in some countries, such as Italy, this system is coming under threat at provincial level. The sizeable reduction in the number of elected representatives is also liable to undermine the conditions for genuine democracy, while the distancing of decision-making centres from local populations is liable to conflict with the very principle of local democracy and to increase public distrust of local government. In France, the new arrangement whereby departments and regions are to share the same elected officials has been criticised on the ground that each tier of government has its own specific features.

82. Intermediate local authorities possess many assets which one does not always find at other levels of local government. In most cases, they enjoy the legitimate authority conferred by the fact that their bodies are elected by direct universal suffrage. They have experience of managing services and programmes and the ability to respond to the needs of the local community thanks to their proximity to the people concerned. They can implement social and territorial cohesion policies to support European programmes, they exercise powers and responsibilities in the social sphere (integration, health care, etc.) which support social cohesion at national and European level, and they make extremely efficient use of financial resources.

83. In a European and international context, multilevel governance needs to be closely associated with the principle of subsidiarity. Subsidiarity has to do with the powers and responsibilities enjoyed by the various levels of authority whereas in multilevel governance, the focus is on how they interact with each other. Smart regulation should entail a reduction in bureaucracy and administrative burdens for citizens and for local and regional authorities, although a purely quantitative approach to regulation is to be avoided. Intermediate local authorities have an extremely important role to play in meeting the challenges facing citizens. They must have the necessary powers and responsibilities to respond to their needs: the job-creating economy, the fight against exclusion and poverty, spatial planning, social and territorial cohesion and the management of structural funds.

84. Despite the current crisis, actors at these intermediate levels need to come up with alternatives for streamlining government. It is vital that a more efficient, less expensive public administration be put in place, but it is dangerous to suppose that the only way to solve this problem is by stripping out layers of government. The intermediate tier can be improved to deliver more services at less cost, but it must not disappear completely. It needs to offer fresh opportunities for meeting growing needs.

85. Any move to abolish the intermediate tiers inevitably raises the question of what to replace them with, and to whom to assign the powers hitherto exercised by these bodies. The next question is whether management by another territorial entity, greater or smaller, would deliver the same services to citizens.

86. The impression given by the current plans for reform is that the debate is no longer about finding appropriate frameworks or levels, what is often referred as to the notion of “appropriate areas”, and that costs and cost-cutting are the only consideration. The danger with this approach is that the reforms will result solely in cuts that provide nothing in the way of a practical response to the problems facing ordinary people. On the contrary, they will lead to a decline in civic representation, potentially creating gaps between the different levels of governance. There also needs to be a completely objective review to see whether the cuts made are in fact delivering the desired savings.

***c*. The legal issues raised by any abolition of intermediate local authorities**

i. The issue of compliance with the Charter

87. The planned administrative reforms directed at intermediate local authorities are liable to conflict with Articles 4 and 5 of the Charter. The question is whether these provisions prohibit the abolition of tiers of government or whether they allow modifications to the different tiers of government without calling into question compliance with the principles of the Charter.

88. Article 3 of the Charter, on the "Concept of local self-government", defines this last as:

> "the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interests of the local population.
>
> This right shall be exercised by councils or assemblies composed of members freely elected by secret ballot on the basis of direct, equal, universal suffrage, and which may possess executive organs responsible to them (…)".

89. Article 4, on the scope of local self-government, states that "The basic powers and responsibilities of local authorities shall be prescribed by the constitution or by statute" (para. 1). Paragraphs 3 and 4 define a principle very similar to the principle of subsidiarity, in the sense in which it is often understood:

> "3. Public responsibilities shall generally be exercised, in preference, by those authorities which are closest to the citizen. Allocation of responsibility to another authority should weigh up the extent and nature of the task and requirements of efficiency and economy.
>
> "4. Powers given to local authorities shall normally be full and exclusive. They may not be undermined or limited by another, central or regional, authority except as provided for by the law."

90. Article 9 of the Charter also calls for the allocation of resources commensurate with the tasks which the authority is required to perform.

91. This Article 4 does not prohibit the law from specifying the powers and responsibilities of local authorities, including intermediate ones, and hence from modifying them. Introducing a subsidiarity rule merely means that, in particular, powers are to be exercised as close as possible to the citizen. Any transfer of powers hitherto exercised by intermediate local authorities to basic-level municipal authorities is not, therefore, contrary to the principles of the Charter. Were these same powers to be transferred to a higher tier, equivalent to regional authorities, such a move, while it might appear to infringe the subsidiarity rule, could in fact be justified in view of the "extent and nature of the task and requirements of efficiency and economy".

92. The supremacy of the Charter over legislative texts is something, however, that can in any case only be assessed by the domestic courts of the individual states concerned.

ii. The role of the Committee of the Regions of the European Union

93. In the view of the EU's Committee of the Regions, it is essential that the European Commission, law-making bodies and national governments pay closer attention to local and regional government when designing legislation and assessing its impact. The Committee of the Regions aims to facilitate active participation by local and regional authorities in the European legislative and political process in an ex ante phase through participation in impact assessment exercises and in consultations with stakeholders, but also in the decision-making phase through consultative votes. In this context, the Committee of the Regions is keeping a very close watch on the reforms concerning intermediate local authorities.

94. The Committee of the Regions feels that it is of the utmost importance to highlight the part played by the intermediate tiers in good governance, at both national and European level. Every area is unique and confronted with challenges and opportunities shaped by its history and geography. The best way to ensure its sustainable development is to ensure that powers and responsibilities properly match local circumstances. Despite marked differences in European countries' systems of organisation, intermediate local authorities in all countries provide practical responses to citizens' pressing needs: social policy, employment, environment, energy, mobility, transport, education, local and regional development. The Committee of the Regions therefore takes the view that this tier of government should be reinforced.

95. As far as the Committee is concerned, intermediate local authorities are a vital part of European governance. They have both the capacity and the legitimacy to organise horizontal governance processes that mobilise the different local actors around common development goals. Equally, they

are of key importance in implementing the principle of subsidiarity enshrined in European treaties, as they play a fundamental role in promoting the widest possible consultation between the different levels of governance.

iii. Intermediate local authorities and national constitutions

96. The reforms under way in various countries could well undermine the role of intermediate tiers in member states' territorial and institutional architecture. Some of these reforms are not practicable, moreover, without changes to the constitution. The degree of recognition accorded local authorities, and in particular intermediate local authorities, varies widely, however, from the practice of listing each authority by name to guaranteeing only the existence of the type of authority concerned to having purely legislative safeguards. The constitutional changes that are apt to be made are likely to differ significantly, therefore, from one country to another, and from one legal system to another.

97. The **Polish** Constitution does not directly recognise the existence of all tiers of local government and leaves it to the law to determine some of them. Local authorities which are enshrined merely in statute can thus be more easily modified or abolished, as in the case of the Polish counties, for instance. The Constitution contains a Chapter VII, entitled "Local government", Article 164 of which states that:

> "The commune (gmina) shall be the basic unit of local self-government.
> Other units of regional and/or local self-government shall be specified by statute.
> The commune shall perform all tasks of local self-government not reserved to other units of local self-government.

98. The Constitution accordingly makes a distinction between the basic-level authority, namely the commune, whose status and existence are guaranteed by the Constitution, and the rest, whose name, framework and powers are left entirely to legislation.

99. The only principle common to all Polish authorities is laid down in Article 163 "Local self-government shall perform public tasks not reserved by the Constitution or statutes to the organs of other public authorities." Such tasks, however, may be exercised by the existing authorities or by other local authorities.

100. Articles 166 and 167 of the Polish Constitution concern transfers of powers and resources between central government and local authorities.

101. Article 166, paragraph 1, states that:

> "Public duties aimed at satisfying the needs of a self-governing community shall be performed by units of local self-government as their direct responsibility.
> (2) If the fundamental needs of the State shall so require, a statute may instruct units of local self-government to perform other public duties. The mode of transfer and manner of performance of the duties so allocated shall be specified by statute."

102. Article 167, para. 4, states that "Alterations to the scope of duties and authorities of units of local self-government shall be made in conjunction with appropriate alterations to their share of public revenues".

103. **Spain, Italy and France** are fairly similar in this respect as their national constitutions recognise the Spanish and Italian provinces and the French departments only as categories, without identifying them by name, which is understandable given the number of entities involved. Constitutional amendments would be needed in order to do away with the intermediate tier of local government. The constitutions in question, however, do not specify the scope of the powers devolved to the various levels, leaving room for judicial interpretation.

104. Article 5 of the **Belgian** Constitution provides a list of the provinces that make up each region, in an effort to protect them from any sudden urge which lawmakers may have to abolish some or all of these provinces (see above). Any change affecting the boundaries and/or existence of one of these ten provinces accordingly requires an amendment to the Constitution, thereby providing a guarantee

of the continued existence of the provinces in question. This article, however, does not give any details as to the role and powers of the provinces.

105. Article 41, para. 1, reads as follows: “Interests which are exclusively of a communal or provincial nature are ruled on by communal or provincial councils, according to the principles established by the Constitution”. This provision therefore recognises the existence of a provincial body – the provincial council – and assigns it its own sphere of activity, namely matters of provincial interest. Without an amendment to the Constitution, something, incidentally, that is envisaged in the plans to reform the Belgian state, powers which relate to provincial interests, necessarily defined in the abstract, and also powers which have been devolved by statute to the provinces, may be exercised only by the provinces.

106. The notion of provincial interests is also enshrined in Article 162, in Chapter VIII entitled: “Provincial and communal institutions”: this article leaves it to the law to stipulate :

> “2) the attribution to provincial and communal Councils all that which is in the provincial or communal interest, without prejudice to the approval of their actions in cases and following that manner determined by law;
> 3) the decentralisation of attributions in favour of provincial and communal institutions”.

IV. Conclusion

107. It is clear that, in certain member states, intermediate local authorities are going through a period of uncertainty with regard to their future and the scope of their activities, for reasons that are not necessarily related to their administrative efficiency. The reforms underway or being planned in various European countries can be explained, if not justified, by other factors, which are largely unconnected with their activities.

108. In the face of these threats, intermediate local authorities, if they want to survive, need to assert their individuality and the vital role they can play among citizens, in terms of administrative efficiency, service delivery and respect for local democracy.