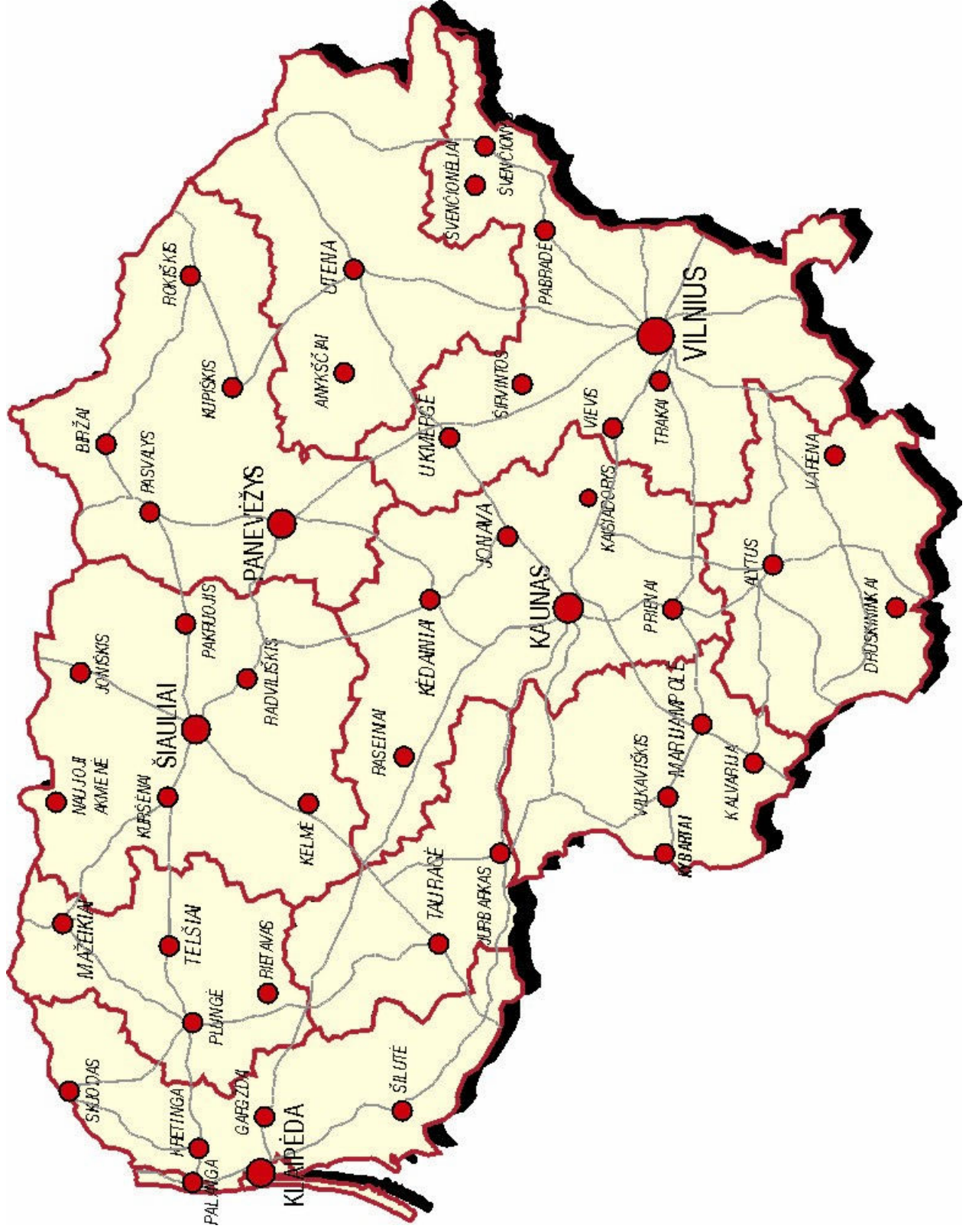




STRUCTURE AND OPERATION OF LOCAL AND REGIONAL DEMOCRACY

Lithuania

LITHUANIA
Territorial Structure



STRUCTURE AND OPERATION OF LOCAL AND REGIONAL DEMOCRACY

Lithuania

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CONTENTS

| | Page |
|--|-----------|
| 1. LEGAL BASIS | 3 |
| 1.1. Constitutional provisions | 3 |
| 1.2. Main legislative texts in relation to the activities of municipalities | 3 |
| 2. STRUCTURE OF LOCAL AND REGIONAL AUTHORITIES | 4 |
| 2.1. Main subdivisions | 4 |
| 2.2. Statistical data | 5 |
| 2.3. Regulations governing changes in structures | 7 |
| 3. ORGANISATION OF LOCAL AND REGIONAL AUTHORITIES | 7 |
| 3.1. Deliberative body | 7 |
| 3.2. Mayor and deputy mayor | 8 |
| 3.3. The college | 10 |
| 3.4. Municipal administration | 10 |
| 3.5. Municipal control and audit | 11 |
| 3.6. Neighbourhood | 13 |
| 4. DIRECT CITIZEN PARTICIPATION IN DECISION-MAKING | 14 |
| 4.1. Referendums and polls | 15 |
| 4.2. Other forms of direct participation | 15 |
| 5 CONDITIONS OF OFFICE OF LOCAL ELECTED REPRESENTATIVES | 15 |
| 6. DISTRIBUTION OF POWERS BETWEEN LOCAL AND REGIONAL AUTHORITIES .. | 16 |
| 6.1. Principles governing the distribution of powers | 16 |
| 6.2. Distribution of powers between the state and the local and regional authorities | 16 |
| 7. LOCAL AUTHORITY ASSOCIATIONS AND OTHER FORMS OF CO-OPERATION AT LOCAL AND REGIONAL LEVEL | 20 |
| 8. FINANCE | 20 |
| 8.1. Taxes and charges | 20 |
| 8.2. Other sources of income | 21 |
| 8.3. Loans | 21 |

| | | |
|-----|--|----|
| 9. | ADMINISTRATIVE SUPERVISION OF LOCAL AUTHORITIES..... | 21 |
| 10. | APPEALS AGAINST LOCAL AND REGIONAL DECISIONS..... | 23 |
| 11. | ADMINISTRATIVE STAFF | 23 |
| 12. | ONGOING AND PLANNED REFORMS | 23 |

1. LEGAL BASIS

Structure and operation of local government are defined in the Constitution of the Republic of Lithuania and in the Law on Local Self-Government of 7th July 1994. The Law was edited on 12 October 2000.

1.1. Constitutional provisions

According to Article 11 of the Constitution, "The administrative divisions of the territory of the State of Lithuania and their boundaries shall be determined by law".

The basis for local government operation is laid down in the Constitution, Chapter 10, "Local Governments and Administration" (Articles 119-124).

Article 119 recognises "Administrative units provided by law on State territory shall be entitled to the right of self-government. This right shall be implemented through local government Councils.

According to the Constitution citizens of the Republic of Lithuania and other permanent residents of an administrative unit may be elected to local government Councils for a four-year term on the basis of universal, equal and direct suffrage by secret ballot. All citizens of the Republic of Lithuania and other residents of the administrative unit have the right to vote.

Local government Councils shall form executive bodies which are accountable to them for the direct implementation of the laws of the Republic of Lithuania and the decisions of the Government and the local government Council."

Article 120 provides for state support of local governments notwithstanding local governments' independence.

Article 121 refers to local finance, including budgets and taxes. "Local governments shall draft and approve their own budget".

Article 122 recognises the right of local government councils to appeal to court regarding the violation of their rights.

Article 124 provides for judicial remedies of which citizens and organisations may avail themselves against decisions taken by local government councils and their executive bodies and officers.

1.2. Main legislative texts in relation to the activities of municipalities

The Law on Local Self-Government of the Republic of Lithuania contains comprehensive regulations on local self-government operation and structure. It includes the concept of local self-government, the principles of self-government, the territorial basis of self-government, the self-government institutions and the procedure for its organisation and operation.

The responsibilities of municipalities can be divided according to the degree of discretionary power they have as follows:

- Independent. A municipality shall exercise these functions in accordance with the law, its obligations to and the interests of the community. When implementing the said functions, a municipality is free to make its own decisions, adopt and enforce them, and is responsible for the fulfilment of the said functions;
- Assigned functions (of limited independence). Municipalities exercise these functions giving due consideration to local conditions and circumstances;
- State functions (delegated to municipalities). These are State functions delegated to a municipality, in the interests of the local population. When implementing the said functions, a municipality shall have the freedom to adopt decisions, as prescribed by the law;
- Contractual functions. The implementation of this type of function is based on contracts.

According to their type, municipality functions can be divided into local government, public administration and public service provision functions. Local government functions are exercised by the municipal council. Public administration functions are exercised by the municipal council, the director of the municipal administration, other authorities of municipal bodies and councils and civil servants who by virtue of legal acts or decisions of the municipal council are granted the rights of public administration on the territory of a municipality. Public services shall be provided by service providers established by municipalities or any other legal and natural persons under contracts concluded with municipalities.

2. STRUCTURE OF LOCAL AND REGIONAL AUTHORITIES

2.1. Main subdivisions

Since 1949, the number of administrative and territorial units has changed significantly. In 1950, the Lithuanian Soviet Socialist Republic underwent a new administrative territorial division which led to the creation of the provinces of Vilnius, Kaunas, Klaipeda and Siauliai and the abolition of counties and townships, replaced by eighty-seven regions.

In 1953 provinces were abolished. In 1959 Lithuania was divided into 44 regions and 642 districts.

In 1989 there were 44 regions, 426 districts and 11 cities with the status of a region in the Republic of Lithuania. Prior to that time, regional and territorial units were set up by decision of the Presidium of the Supreme Council of the Lithuanian Soviet Socialist Republic.

In 1995, in conformity with the Law on the Territorial Administrative Units of the Republic of Lithuania and their Boundaries, the former system comprising 2 levels and 5 categories of 581 administrative units was replaced by a system of 2 levels and 2 categories. This reduced the total number of units from 581 to 60 (Table 1). The following administrative territorial units are currently functioning in Lithuania at the present time.

- higher administrative units or counties (10), which are part of State Government;
- lower-level administrative units or municipalities (60) divided into districts and cities or towns which differ neither in status nor in competencies.

Therefore, in Lithuania there is one level system of self-government.

2.2. Statistical data

The following tables provide statistical information and indicators about counties and municipalities:

The size of counties by population in Lithuania

| Population | Counties | Percentage of total |
|-------------------|-----------|---------------------|
| Up to 200 000 | 5 | 50 |
| 200 000 – 500 000 | 3 | 30 |
| Over 500 000 | 2 | 20 |
| Total | 10 | 100 |

County surface and population indicators

| | Surface Sq. Km | Population |
|------------|-------------------|------------|
| Largest* | 9 731 | 848 555 |
| Smallest** | 4 411 | 131 481 |
| Average | 6 530 | 346 255 |

(*) Vilnius

(**) Tauragė

Table 1 - Surface and population of municipalities in Lithuania

| | Area (Sq. Km) | Population |
|--------------|---------------|------------|
| CITIES | | |
| Vilnius | 401 | 552 930 |
| Kaunas | 157 | 366 486 |
| Klaipėda | 98 | 189 477 |
| Šiauliai | 81 | 130 600 |
| Panevėžys | 50 | 116 920 |
| Alytus | 40 | 70 288 |
| Marjampolė | 755 | 70 120 |
| Palanga | 79 | 17 607 |
| Druskininkai | 454 | 24 952 |
| Neringa | 90 | 2 731 |
| Birštonas | 124 | 5 343 |
| Visaginas | 9 | 28 767 |
| DISTRICTS | | |
| Akmenės | 844 | 29 288 |
| Alytaus | 1 404 | 32 127 |
| Anykščių | 1765 | 33 873 |
| Biržų | 1 476 | 34 627 |
| Elektrėnų | 509 | 28 468 |
| Ignalinos | 1 496 | 21 803 |
| Jonavos | 944 | 52 346 |
| Joniškio | 1 152 | 31 334 |
| Jurbarko | 1 507 | 36 828 |
| Kaišiadorių | 1 087 | 37 048 |
| Kalvarijos | 441 | 13 644 |
| Kauno | 1 496 | 84 336 |
| Kazlų Rūdos | 555 | 14 875 |
| Kelmės | 1 705 | 39 934 |
| Kėdainių | 1 677 | 64 853 |
| Klaipėdos | 1 336 | 47 420 |
| Kretingos | 989 | 46 064 |
| Kupiškio | 1 080 | 24 038 |
| Lazdijų | 1 309 | 26 295 |
| Mažeikių | 1 220 | 66 571 |
| Molėtų | 1 368 | 24 405 |
| Pagėgių | 537 | 12 008 |
| Pakruojo | 1 316 | 28 819 |
| Panevėžio | 2 179 | 43 147 |
| Pasvalio | 1 289 | 34 087 |
| Plungės | 1 105 | 44 030 |
| Prienų | 1 031 | 34 901 |
| Radviliškio | 1 635 | 51 041 |
| Raseinių | 1 573 | 43 271 |
| Rietavo | 586 | 10 498 |
| Rokiškio | 1 807 | 40 950 |
| Skundo | 911 | 25 025 |
| Šakių | 1 453 | 37 907 |
| Šalčininkų | 1 491 | 38 546 |
| Šiaulių | 1 807 | 51 399 |
| Šilalės | 1 188 | 31 165 |
| Šilutės | 1 706 | 54 390 |
| Širvintų | 906 | 19 782 |
| Švenčionių | 1 692 | 32 176 |
| Tauragės | 1 179 | 52 104 |
| Telšių | 1 439 | 56 476 |
| Trakų | 1 208 | 37 063 |
| Ukmergės | 1 395 | 47 443 |

| | | |
|--------------|---------------|------------------|
| Utenos | 1 229 | 49 208 |
| Varėnos | 2 218 | 30 167 |
| Vilkaviškio | 1 259 | 49 532 |
| Vilniaus | 2 129 | 92 069 |
| Zarasų | 1 334 | 21 989 |
| TOTAL | 65 300 | 3 435 591 |

Municipalities according to population in Lithuania

| Population | Number of municipalities | Percentage of total |
|------------------------|--------------------------|---------------------|
| Up to 30 000 | 19 | 31,6 |
| From 30 000 to 50 000 | 23 | 38,2 |
| From 50 000 to 70 000 | 8 | 13,3 |
| From 70 000 to 100 000 | 5 | 8,2 |
| Over 100 000 | 5 | 8,2 |
| TOTAL | 60 | 100 |

2.3. Regulations governing changes in structures

The setting up and abolition of counties and the establishment of their boundaries and centres is decided by Parliament at the proposal of the Government. Changes in county boundaries occur when the number of municipalities or their boundaries changes. The territory of a municipality shall not be divided by county boundaries.

The same procedure applies to municipalities, but the Government also organises polls to determine public opinion and takes into consideration proposals of the local authorities.

3. ORGANISATION OF LOCAL AND REGIONAL AUTHORITIES

3.1. Deliberative body

At local government level, the main deliberative body is the council of local government. It coordinates the activity of other local government bodies, directs the local economy and cultural activities, ensures a rational exploitation of natural wealth, the observance of laws, the implementation of government directives and public order, and protects citizens' rights and legitimate interests.

The council consists of councillors. They are elected for a four-year term on the basis of universal, equal and direct suffrage and secret ballot, according to an electoral system of proportional representation. The Council's term of office begins at its first sitting and ends on the first sitting of the next incoming council. During sittings, the Council exercises its powers collectively. In between sittings Council continues its activities in committees and commissions.

Articles 15 and 16 of the Law on Local Self-Government enable the council to form committees, commissions and other organs provided by law.

3.2. Mayor and deputy mayor

For its term of office, the municipal council elects the mayor from among the councillors. One or several Deputy mayors may be appointed, on the proposal of the mayor.

The mayor is elected and his deputy is appointed by secret ballot. The mayor is considered elected and a deputy mayor is considered appointed if the majority of the councillors vote for them. They are directly responsible for exercising the powers delegated by the state.

In addition, in conformity with the regulations approved by the council, the mayor sets the agenda for council meetings, convenes and presides over council meetings, co-ordinates the activities of council committees and commissions, signs council decisions and minutes of the sittings and ensures the implementation of council decisions.

The mayor is accountable to the municipal council and the community for the activities of a municipality. The mayor:

- sets and draws up meeting agendas for the municipal council, presents decision drafts, convenes and presides over municipal council meetings, co-ordinates the activities of council municipal committees and commissions, signs municipal council, decisions and the minutes of the meetings over which he has presided;
- represents or authorises other persons to represent the municipality in court, in co-operation with other municipalities, state institutions, foreign state institutions, as well as with other natural and legal persons;
- represents a municipality in the Regional development council and has decisive vote rights during the preparation and implementation of regional development programmes;
- nominates the municipal council candidates for deputy mayor(s), the municipal administration director, the municipal administration deputy director (on a proposal from the municipal administration director), commissions chairmen; he may call for their dismissal and sanction the municipal administration director;
- approves secretariat regulations, appoint and dismiss secretariat employees;
- oversees work carried out by the secretariat;
- controls and supervises the work of heads of municipal public administration institutions, bodies and enterprises and the way they implement laws, as well as State and municipal council resolutions;
- concludes contracts on municipality co-operation with State institutions, other municipal institutions and institutions of foreign countries, after receiving the consent of the municipal council;
- monitors preparation of and organises local residents' survey.

The mayor analyses the situation in the municipality and proposes draft solutions for the attention of the municipal council and makes recommendations to public administration institutions, in the following areas: 1) arrangements for public order and peace; 2) primary individual and public health care, care for the sick, disabled and elderly people, 3) general education for children, youth and adults, pre-school education for children, supplementary training for children and youth; 4) general cultural education of the population, promotion of ethnic culture; 5) the migration process, people's employment, their re-qualification, as well as the organisation of public works;

Decisions of the mayor are executed as ordinances.

At least once a year the mayor accounts to the municipal council for his/her activities and to the voters for the activities of the municipal council.

A deputy mayor carries out functions established by the municipal council and instructions of the mayor. In the event of the mayor not being able to carry out his duties, the deputy mayor shall exercise all his duties.

Concerning dismissal of the mayor and deputy mayor, or termination of their powers, Article 20 of the Law on Local Self-Government provides that the powers of the mayor and deputy mayors shall be terminated before the expiry of the term of office, if the majority of all the councillors vote:

- on the proposal of the Government or a State controlling institution, for violations of laws or other legal acts which have inflicted essential damage on State or municipal interests or property;
- if due to temporary incapacity to work, he/she does not work more than 120 calendar days in succession or more than 140 days within the last twelve months;
- upon his request for resignation;
- if he/she takes up permanent residence in a foreign country.

The powers of the mayor or deputy mayors shall also be terminated prior to the term of office, if not less than 1/3 of all the councillors express no confidence in them and the municipal council adopts a decision to dismiss the mayor or deputy mayor, voted for by not less than 1/2 of all the councillors. If following the expression of no confidence a decision to dismiss the mayor or deputy mayor is not adopted, then at least one year must have elapsed before the issue may be reconsidered.

On the proposal of the mayor, the powers of a deputy mayor terminate before the expiry of the term of office if the majority of councillors vote in favour. The powers of the mayor or deputy mayor are terminated if they lose the mandate of a councillor. The powers of the mayor elected by the council and the deputy mayor terminate once the powers of the municipal council expire.

3.3. The college

According to Article 18 of the Law on Local Self-Government, the municipal council shall for its term of office form the college from among the councillors, and set the number of its members.

The municipal council may authorise the college:

- to adopt decisions on the analysis of the territorial development of a municipality and on the preparation of drafts of general long-term social, cultural, economic, investment, demographic, crime control and prevention, ecological, health and other programmes;
- on the proposal of the mayor to decide which civil servant positions of political (personal) confidence to create, and how many;
- to set priorities on municipal servants training.

The mayor and deputy mayors shall be ex officio members of the college. The mayor shall present to the municipal council for approval the candidacy of other college members. Only Lithuanian citizens may be members of the college. The chairman of the control committee, his deputy and members of the control committee may not be members of the college. The college must account for its performance to the municipal council at least once a year or as required.

3.4 Municipal administration

The municipal administration shall be headed by the director of municipal administration who is responsible and accountable to the municipal council and the mayor. The director of municipal administration is appointed on the mayor's proposal by a decision taken via the municipal council on the basis of political (personal) confidence for the term of the powers of municipal council. There is no limit to the number of times the tenure of the director of municipal administration may be renewed. The deputy director of municipal administration (if the position is created) is appointed by a decision of the municipal council on the basis of political (personal) confidence on a proposal by the mayor.

The municipal administration director shall:

- be directly and personally responsible for the implementation of laws and Governmental and municipal council decisions taken on the territory of municipality;
- organise the work of the municipal administration and be responsible for the internal administration of a municipality;
- administer allocations which are designated by the council for the municipal administration;
- on receiving authorisation from the municipal council, administer appropriations from the municipal budget, organise implementation of the municipal budget, be responsible for a municipality's economic and financial activities and administer municipality property;
- appoint and dismiss municipal administration civil servants and other municipal administration employees. Co-ordinate and control activities of agencies providing public services and carry out functions of personnel management;
- organise training and qualification improvement for employees of municipal institutions of public administration;

- in accordance with his powers and in connection with the implementation of laws, Government or municipal council decisions, appeal to state administration entities, issue mandatory orders for structural and structural territorial subdivisions of the municipal administration – neighbourhoods as well as for civil servants and public employees who are not part of the structural subdivisions;
- account and report on his/her performance to the council and the mayor upon the municipal council work regulation.

Municipal administration is a municipal institution which consists of structural, structural territorial subdivisions – neighbourhoods and civil servants who do not belong to structural public administration subdivisions and other civil servants. The powers of the municipal administration are not related to the term of office of the municipal council.

The municipal administration shall:

- organise and oversee the implementation of local authority decisions on the municipal territory or implement these decisions itself;
- implement laws and resolutions of the Government which do not require decisions of local authorities;
- in a manner prescribed by law organise the management of accounting of the municipal budget income and expenditure and other monetary resources, and organise and oversee the disposal and use of municipal property;
- manage public service provision;
- draw up local authority draft decisions and ordinances;
- provide financial, economic and material services to the secretariat, the mayor, councillors and the municipal controller.

3.5. Municipal control and audit

The Municipal control and audit institution is the municipal controller (municipal controller's service), and supervises whether municipal property is managed and used lawfully, expediently, economically and efficiently, and how the municipal budget is administered.

The centralised municipality internal audit service is a structural subdivision of the municipal administration, set up to carry out internal auditing of the municipal administration, matters administered by the municipality and enterprises under the municipality's authority which manage, use, and dispose of municipal property.

The Municipal Controller

The municipal controller performs financial and performance auditing in municipal administration, subjects administered by the municipality, and in enterprises under the municipality's authority. External control of the municipal controller's audit is performed by the State Control. To ensure implementation of the municipal controller's functions and on the recommendation of the municipal controller the municipal council may (and when the number of residents of a municipality exceeds 30 thousand, must) establish the office of the municipal controller. It is headed by the municipal controller.

The municipal controller (municipal controller's service) is a municipal control and audit institution and has its own stamp. The Municipal controller's service is headed by the municipal controller who is accountable to the municipal council. The municipal council sets a separate estimate of the municipal controller's expenditure. The municipal controller's financial, economic, material needs are provided for by the municipal administration to a limit not exceeding the expenditure of the municipal controller's estimate.

The municipal controller and civil servants of the municipal controller's service may not be members of the municipal council and may not participate in the activities of political parties or other political organisations during their work.

The municipal controller is appointed to his position through competition and can be dismissed in a manner prescribed by the Law on Public Service. The municipal controller must have a university education and three years experience in the field of economics, audit or public administration.

The municipal controller shall:

- approve the list of staff of the office of the municipal controller (should it be established), and hire and dismiss office employees, in accordance with the Law on Public Service and the Law on Labour Contracts;
- organise training and qualification upgrading of employees of the municipal controller's office;
- make the annual performance plan and, under the approval of the municipal council control committee, confirm the plan, organise its implementation and be responsible for it;
- submit the municipal controller's annual performance plan to the State Control by 1 February of the each year;
- have the right to attend sittings of the municipal council, committees, commissions and present an opinion on issues within his/her competence;
- upon the written instructions of the state controller, participate, within the limits of their own competence, in the finance and performance audits carried out by state control officials on matters concerning subjects of municipal administration, or assign the employees from the municipal controller's service to participate in these audits;
- carry out finance and performance audits, or appoint employees from the municipal controller's service to do so;
- make decisions based on the reports of the financial and performance audit, forward information on any shortcomings in their work to the director of the municipal administration, audited municipal administration subjects, heads of enterprises under the municipality's control and set the deadline for remedying any breaches in legislation. The director of the municipal administration, audited municipal administration subjects and heads of enterprises under the municipality's authority must inform the municipal controller when difficulties arisen in their work have been eliminated;
- submit the conclusions, reports, and decisions made as a result of any breaches in legislation established during the internal audit and which were not eliminated to the mayor, the director of the municipal administration, the audited municipal subjects, and enterprises controlled by the municipality;

- in accordance with time limits and provisions set out in the municipal work regulation, submit in the context of the annual accounts and for approval by the municipal council the conclusion on the use of property owned by the municipality and a report on state property held in municipal trust in particular as concerns the implementation of the municipal budget and the use of this property;
- if criminal activity is uncovered in the course of an inspection, refer all evidence to the relevant law enforcement institutions;
- take preventive measures to eliminate any established breaches of legislation and to ensure that they do not reoccur;
- adopt decisions after considering residents' applications and complaints regarding the office of the municipal controller;
- submit information to government institutions in accordance with the laws and legal acts;
- submit the municipal controller's service performance report as set out in the municipal council work regulation. Its summary must be published in the local press and, if possible, announced via other mass media;
- at the request of the municipal council or the municipal council control committee provide information within his/her competence;
- audit implementation of the municipal budget;
- be responsible for maintaining the authority established for the municipal controller by law and other legal acts, as well as for ungrounded or incorrect audit reports

Centralised Municipal Internal Audit Service

The centralised municipal internal audit service is established by the municipal council, which approves the structure of the municipal administration. The centralised municipal internal audit service operates according to the annual plan in collaboration with the director of municipal administration. The director of municipal administration may assign responsibility for carrying out internal audits which were not envisaged in the annual plan to the centralised internal audit service. This type of internal audit may be carried out at the decision of the head of the centralised municipal internal audit service in co-operation with the director of the municipal administration.

Internal auditors submit completed audit reports to the director of municipal administration and the heads of the entities under audit. They must take decisions in the light of the internal audit's recommendations. The internal audit reports are also submitted to the municipal council, the control committee of the municipal council, the mayor, and the municipal controller at their request.

The head of the centralized internal audit service and internal auditors are appointed by competition. The jury board is formed by the director of the municipal administration. The participation in the jury board of a representative of the Ministry of Finance is obligatory.

3.6. Neighbourhood

According to Article 30 of the Law on Local Self-Government, the neighbourhood shall be a structural territorial unit of the municipal administration, functioning in a certain part of the municipal territory.

The head of the neighbourhood shall be appointed by competition (with the favourable opinion of the residents being regarded as an advantage) and dismissed by the director of municipal administration, in compliance with the Law on Public Service. The functions of the head of the neighbourhood are described in Article 31 of the Law on Local Self-Government. The core functions are:

- to manage the neighbourhood;
- to take part in sessions organised by any municipal institution on issues concerning the neighbourhood;
- to summarise observations and suggestions made by citizens representatives and present them to the director of municipal administration; to consult citizens and give them any information they need on the work and organisation of administration;
- to organise local meetings for citizens as well as their meetings with administrative officers.

4. DIRECT CITIZEN PARTICIPATION IN DECISION-MAKING

Lithuania is striving to encourage public discussion on core developmental issues and strategic choices. The Constitution of the Republic of Lithuania states that citizens shall have the right to participate in the government of their State both directly and through their freely elected representatives. The Constitution also guarantees the right of legislative initiative, the right to announce a referendum, the right to criticise the work of state institutions and their officers and the right to petition.

A legal procedure for enabling the general public to become acquainted with draft legal acts has been set up in Lithuania. The Law on Procedure of Publication and Coming into Force of Laws of the Republic of Lithuania and other Legislative Acts states that draft laws and legal acts considered by the Seimas shall be published for public deliberation in the “Information reports”, an annex to the “Official Gazette”. Moreover, an Order of Publication of Draft Laws and Other Legal Normative Acts on the Internet has been approved by the government. Under this order the list of the ministries involved in the process of drafting laws and legal normative acts is published on the government Internet site. The same requirement is imposed on ministries and other institutions, involved with particular drafts.

Further steps have been taken recently to encourage participation of civic society in governance. In October 2003 the Law on the Government was supplemented by a provision which made it obligatory for ministers to inform the public about their activities by Internet, the mass media or during public meetings. The Ministry of the Interior is preparing the draft of this procedure. Appropriate amendments have also been made to the Law on the Seimas Ombudsmen, the Law on Equal Opportunities, the Law on the Controller of Child’s Rights Protection, the Law on Police Activities and the Law on Local Self-Government. These amendments set out the obligation for public office employees to report regularly about their activities via the mass media. It is an opportunity for the public to see how their interests are represented by elected politicians.

Furthermore, the Model Procedure on Service to Citizens and other Persons in the Public Administration and Other Institutions has been approved. The procedure regulates relations between state institutions on the one hand and public on the other hand, providing every person with the legal right to be given promptly qualified answers to their questions and conferring on them the right to appeal against illegal acts of office employees.

Seeking to modify present trends in civil society participation, Lithuania is open to new ideas for encouraging society to participate more actively in the process of decision-making. A recommendation for solving this problem could be to increase the number of directly elected officials, to provide people with more information about their rights and the ways open to them for taking part in the decision-making process, to organise public discussions on the alternatives of decisions and to define more precisely forms of co-operation between state institutions and civic society.

4.1. Referendums and polls

The Constitution of the Republic of Lithuania and other regulations do not provide for local referendums. Local authorities may organise polls on the expediency of individual decisions made by local government, the change of names of localities, the merging of local authorities and other issues. Every citizen with the right to vote and who is a permanent resident in the territory of the respective local government can take part in the poll. The results of the polls are not binding, but are however taken into account by local governments. Organisation of the polls is funded by the municipality budget.

4.2. Other forms of direct participation

Council meetings are open to the public. Local residents may participate and take the floor in sittings. The residents – either individually or as a group – may submit draft decisions to local government.

5 CONDITIONS OF OFFICE OF LOCAL ELECTED REPRESENTATIVES

Members of local government councils (councillors) are elected for a four-year term on the basis of universal, equal and direct suffrage by secret ballot and according to the electoral system of proportional representation.

For the organisation and conduct of elections, an electoral area is set up in the territory of the local government. All Lithuanian citizens with the right to vote and who are permanent residents in the territory of that local government are entitled to vote.

Councillors, once they are elected start their term of office when the Council gathers for the first sitting. The councillor must:

- take part in all the sittings of the Council;
- be a member of one of the committees;
- take part in the sittings of the committee;
- account once a year to his electorate.

The council may have 21 to 51 members depending on the population of the electoral area considered, as shown in the following table.

Number of local councillors according to the population

| | |
|--------------------------------|----------------|
| over 500 000 people | 51 councillors |
| from 300 000 to 500 000 people | 41 councillors |
| from 100 000 to 300 000 people | 31 councillors |
| from 50 000 to 100 000 people | 27 councillors |
| from 20 000 to 50 000 people | 25 councillors |
| up to 20 000 people | 21 councillors |

6. DISTRIBUTION OF POWERS BETWEEN LOCAL AND REGIONAL AUTHORITIES

6.1. Principles governing the distribution of powers

The principles underlying the distribution of powers between territorial units are defined by the abolition of hierarchical subordination and avoidance of duplication of functions. As previously stated, there is no intermediate level of self-government, as the counties are not self-governing and government is organised by the state.

In accordance with Article 120 of the Constitution, local authorities act freely and independently within the limits of their competence as established in the Constitution and other laws. The state for its part shall support local governments.

Municipalities therefore are entitled to decide on all issues of local relevance, within the limits established by law.

6.2. Distribution of powers between the state and the local and regional authorities

The following table shows the distribution of powers between the state and the municipalities.

The table therefore includes those competences that have been delegated by the state to local authorities either specifically or directly by the Constitution and other laws. Nevertheless it is important to note that in almost all the fields referred to the state provides guidance, support and co-ordination in all activities.

All other functions not mentioned are carried out by the decentralised state administration.

| Function | Competent authority | | | Type of competence | | | | | Exercise of the competence | | |
|-------------------------------|---------------------|---------------|--------------|--------------------|--------|------------|---------------|--------|----------------------------|--------------|-----------------------|
| | State | Intermediate* | Municipality | Exclusive | Shared | Compulsory | Discretionary | Direct | Indirect | In own right | For another authority |
| General administration | | | | | | | | | | | |
| Security, police | • | | • | | | | | • | | | • |
| Fire protection | • | | • | | | | | • | | | • |
| Civil protection | • | • | • | | | | | • | | | • |
| Justice | • | | | | | | | • | | | |
| Civil status register | | | • | | | | | | | | • |
| Statistical office | • | | | | | | | • | | | |
| Electoral register | • | | | | | | | • | | | |
| Education | | | | | | | | | | | |
| Pre-school education | | | • | | | | | | | • | |
| Primary education | | | • | | | | | | | • | |
| Secondary education | | | • | | | | | | | • | |
| Vocational and technical | • | • | | | | | | • | | | |
| Higher education | • | | | | | | | • | | | |
| Adult education | | | • | | | | | | | • | |
| Other | | | • | | | | | | | • | |
| Public Health | | | | | | | | | | | |
| Hospitals | • | • | | | | | | • | | | |
| Health protection | • | • | • | | | | | • | | | |

| Function | Competent authority | | | Type of competence | | | | Exercise of the competence | | | |
|---------------------------------------|---------------------|---------------|--------------|--------------------|--------|------------|---------------|----------------------------|----------|--------------|-----------------------|
| | State | Intermediate* | Municipality | Exclusive | Shared | Compulsory | Discretionary | Direct | Indirect | In own right | For another authority |
| Social Welfare | | | | | | | | | | | |
| Kindergarten and nursery | | | • | | | | | | | • | |
| Family welfare services | | | • | | | | | | | • | |
| Welfare homes | | • | • | | | | | | • | • | |
| Social security | • | • | • | | | | | • | • | • | |
| Other | | | | | | | | | | | |
| Housing and town planning | | | | | | | | | | | |
| Housing | | | • | | | | | | | • | |
| Town planning | | • | • | | | | | • | | • | |
| Regional/spatial planning | • | • | • | | | | | • | • | • | |
| Environment, public sanitation | | | | | | | | | | | |
| Water & sewage | | | • | | | | | | | • | |
| Refuse collection & disposal | | | • | | | | | | | • | |
| Cemeteries & crematoria | | | • | | | | | | | • | |
| Slaughterhouses | | | | | | | | | | | |
| Environmental protection | • | • | • | | | | | • | • | • | |
| Consumer protection | • | | | | | | | • | | | |
| Culture, leisure & sports | | | | | | | | | | | |
| Theatres & concerts | • | | • | | | | | • | | • | |
| Museums & libraries | • | | • | | | | | • | | • | |
| Parks & open spaces | • | • | • | | | | | • | • | • | |
| Sports & leisure | • | • | • | | | | | • | • | • | |

7. LOCAL AUTHORITY ASSOCIATIONS AND OTHER FORMS OF CO-OPERATION AT LOCAL AND REGIONAL LEVEL

The Law on the Basic Regulations of the Association of Municipalities of Lithuania provides for institutional co-operation between the municipalities.

According to this law, the Association of Municipalities of Lithuania represents the common interests of the municipalities in state institutions and government. Membership of this association is voluntary depending on a decision of the municipal council, even though all municipalities are entitled to become members.

With regard to the Association's structure, municipalities are represented by one person for every ten council members, and one for the remaining number of members (if more than 5). Additionally, municipalities with a population of over 100 000 inhabitants have an extra representative for every 100 000 residents or fraction thereof. These representatives make up the congress of representatives for the Association members.

It is also possible to set up other associations or organisations representing both the municipalities and counties.

Local authorities often undertake joint activities to carry out projects of common interest, namely in the following fields:

- building and infrastructure;
- urban development and planning of territories within proximity;
- provision of local public services.

The legislation does not provide for concluding international treaties with foreign countries. According to the Law on Local Self-Government municipalities can co-operate with municipalities of foreign countries on the basis of co-operation agreements and cross-border co-operation agreements and have the right to create Euro regions. Lithuania has ratified the European Charter of Local Self-Government, the European Outline Convention on Transfrontier Co-operation between Territorial Communities and Authorities, the Additional Protocol to the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities, and Protocol No. 2 to the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities concerning Interterritorial Co-operation.

8. FINANCE

8.1. Taxes and charges

Financial resources of municipalities shall consist of:

- taxes raised in accordance with laws and other legal acts;
- income from municipal property (ownership);
- fines received in a prescribed manner;

- local fees and charges;
- income from municipal budgetary agencies for provided services;
- income from the balance of municipal funds in current accounts;
- income received in the manner prescribed by the Government after the distribution of funds for plots of state land sold and rented for non-agricultural purposes;
- state budget subsidies;
- other income established by law;
- grants (monetary resources);
- loans.

Municipalities shall receive a part of the income from taxes or rates ensuring that amounts provided for by the law are not exceeded by increases or decreases decided by municipal councils. Budgetary funds of municipalities may be used only for municipality functions: to implement social and economic and other programmes approved by municipal councils, to maintain municipal budgetary agencies and organise the provision of public services.

8.2. Other sources of income

Local governments are entitled to establish charges and fees for the services they provide and for the use of municipal property.

Charges and fees are regulated by municipal council decisions. They are considered non-budgetary revenues and are therefore not included in municipal budgets but in a special account within the Bank Office non-budgetary revenue.

8.3. Loans

The Ministry of Finance can cover temporary shortages in the funding of municipal budgets. These credits are allocated by the state budget. Short-term credits are provided upon the request of the municipality. The request must be supported with well-founded explanations as to the major reasons for the shortage in budget funds and the relevant calculations.

9. ADMINISTRATIVE SUPERVISION OF LOCAL AUTHORITIES

Local governments act freely and independently within the limits of their competence set out in the Constitution and other laws. It is obvious that the interests of central and local governments have to be co-ordinated. A significant factor in ensuring such co-ordination is the co-operation between central and local institutions. It should be noted that such co-operation is active and effective. Nevertheless, central government has to perform certain control over municipalities. Such control has to be performed in such a way that the interference of an institution carrying out the control is proportionate to the importance of an interest defended by such interference.

Under the Constitution state territorial representatives are appointed by the Government to supervise observance of the Constitution and laws, and to ensure that decisions of the Government are implemented.

Representatives of the Government carry out administrative supervision of the municipalities within their competences as set out in the Law on Administrative supervision of local authorities. The Government appoints 10 state territorial representatives, who supervise performance of municipalities in each county. The amount of supervised municipalities ranges from 4 to 8.

The state territorial representative is a head of institution civil servant appointed in accordance with the Law on the Civil Service for a four-year term, upon expiration of which he/she can be appointed for a second term.

State territorial representatives are responsible to the government and accountable to the Prime Minister. Every state territorial representative submits a report on activities to the government, the Ministry of the Interior, the county governor and to municipalities under supervision. This report is then discussed at a Government meeting.

After deciding that a certain decision of the local authority council or a decree of the mayor contradicts the Constitution, laws or other legislative acts of the Republic of Lithuania, or when self-government institutions do not implement laws or carry out the decisions of the Government, a representative of the Government selectively exercises his/her powers in one of the forms stated in the law. These forms are:

- a reasoned recommendation to the head of the self-government institution which has adopted the decision, proposing its immediate suspension;
- a demand to the local authority council, that it immediately implement a law, or execute a government resolution.

If the council of local government or the mayor does not comply with the government representative's demand to implement the law in question, or carry out government decisions, the government representative appeals to the court against such acts, or actions or inactivity of officers.

If the council of local government signs an agreement which could violate public interest and is in conflict with laws, the government representative suspends implementation of this agreement.

The law states that the state territorial representative in implementing administrative supervision may participate in sessions of the municipal council, to get acquainted with draft municipal legislation and the legislation in force. Moreover, state territorial representatives may participate in parliamentary or government sessions when issues for discussion are related to self-governance or activities of state territorial representatives.

10. APPEALS AGAINST LOCAL AND REGIONAL DECISIONS

Individuals are protected against local government decisions by Article 124 of the Constitution, according to which all actions of local government councils, including their executive bodies and officers, which violate the rights of citizens and organisations may be appealed against before the courts.

11. ADMINISTRATIVE STAFF

The executive body of local government is responsible for the administrative and financial status of local authority staff. Staff are employed according to the Law on the Civil Service, and are recruited by competition. Staff on contracts are employed according to the Law on Labour Contracts.

Municipalities employ 35-50 employees on average. However, the number of the staff in the municipalities varies significantly, depending on size and functions of those municipalities. Vilnius, for example, has approximately 500 administrative staff.

12. ONGOING AND PLANNED REFORMS

Future administrative territorial division

Reform of the administrative territorial structure is currently under consideration. The purpose of this reform is to increase the number of municipalities from 60 to 80-90 in order to strengthen the relationship between the residents and their elective representatives at local level. So far the number of municipalities is 60.

The main reform of Local self-government was made after the decision of the Lithuanian Constitutional Court in February 2003. The Constitutional Court stated that the existing system of local self government – the municipal council as a deliberative body and the municipal board formed from councillors as the executive body – contradicts the Constitution. So the Law of Local self-government was changed and a new system was established. According to the Law, the municipal council is a deliberative body and the director of municipal administration a person appointed by the municipal council according to the Law of the Civil service, is the executive body. Some functions of the mayor were also revised.

Government has approved plans for administrative territorial units. According to these plans new municipalities can be established under further conditions: civil initiative, the will of political authority, appropriate funds assigned from the state, municipalities' ability to arrange administrative governing and its financial abilities.