



**Recommendation *CM/Rec(2007)4*
of the Committee of Ministers to member states
on local and regional public services**

*(Adopted by the Committee of Ministers on 31 January 2007
at the 985th meeting of the Ministers' Deputies)*

The Committee of Ministers, having regard to Article 15.b of the Statute of the Council of Europe,

Considering that the aim of the Council of Europe is to achieve a greater unity between its members for the purpose of safeguarding and realising the ideals and principles which are their common heritage and facilitating their economic and social progress;

Considering that, for the purposes of this recommendation, a local or regional public service is a service in respect of which, pursuant to a broad social agreement expressed usually through a decision of a competent democratic public authority, overall continuity and individual access are ensured by a local or regional public authority through direct provision (through the local or regional public sector) and/or through the financing of its provision by third parties and/or by establishing specific regulations which go beyond those which apply to other services;

Considering that local and regional public services shape the day-to-day environment of residents and largely determine their quality of life;

Considering that local and regional public services constitute one of the essential elements of local and regional self-government, of which they enable the concrete realisation and measure the real development;

Considering that they account for an important part of the national economy by virtue of the expenditure they incur, the resources they bring into play and the functions they fulfil;

Considering that these services make a significant contribution to local and regional development and to the territorial organisation of activities and facilities;

Considering that they play a prominent role in the organisation of social solidarity by supplying services vital to meeting public needs;

Having regard to the great variety of tasks carried out by local and regional public services and the emergence of new social demands;

Having regard to the scope of changes currently under way in these services in order to find more efficient management methods, particularly because of the need to keep public expenditure under better control;

Having regard to the progress already made in many states in establishing rights and safeguards for the users of public, particularly local and regional services, but also the considerable inequalities which still remain in these fields;

Having regard to the need to integrate suitably local and regional public services into modern economic machinery, but without disturbing the free play of competition;

Taking the view that the modernisation of the management and methods of local and regional public services, while respecting local and regional self-government, users' rights and the rules of the market economy, should be regarded by both member states and local and regional authorities as a priority task;

Having regard to the European Charter of Local Self-Government (ETS No. 122) and in particular its provisions on the scope of local self-government, appropriate administrative structures, administrative supervision and financial resources of local authorities;

Taking into account the following recommendations which it has addressed to member states:

- Recommendation No. R (87) 12 on the role of local and regional authorities in employment policy;
- Recommendation No. R (90) 12 on services and infrastructures in rural areas;
- Recommendation No. R (97) 7 on local public services and the rights of their users;
- *Rec(2001)19* on the participation of citizens in local public life;
- *Rec(2003)2* on neighbourhood services in disadvantaged urban areas;

Taking note of the following recommendations and resolutions of the Congress of Local and Regional Authorities of the Council of Europe:

- Recommendation 114 (2002) on local authorities and public utilities;
- Resolution 140 (2002) on local authorities and public utilities;
- Recommendation 182 (2005) on public participation in local affairs and elections;
- Recommendation 188 (2006) on good governance in European metropolitan areas;

Having regard to Resolution No. 1 on "The Role of Local and Regional Authorities in the Provision of Local Social Services" of the Conference of European Ministers responsible for Local and Regional Government, adopted in Istanbul in 2000;

Having regard to the principles of regional self-government adopted by the Conference of European Ministers responsible for Local and Regional Government in 2002 in Helsinki;

Having regard to the following reports of the Steering Committee on Local and Regional Democracy (CDLR):

- The role of competitive tendering in the efficient provision of local services (1993);
- Participation by citizens-consumers in the management of local public services (1994);
- The use of performance indicators in local public services (1997);
- Management and funding of urban public transport (1999);
- Management of municipal real estate property (1999);
- Participation of citizens in local public life (2000);
- The role of local authorities in the field of local social services (2000);

- Neighbourhood services in disadvantaged urban areas and in areas of low population (2001);
- The risks arising from local authorities' financial obligations (2002);
- Budgetary procedures and budget management at local authority level (2002);

Having regard to the Handbook of Good Practice in Public Ethics at Local Level, prepared by the CDLR and adopted on 31 March 2004 at the Conference on Ethical Standards in the Public Sector in Noordwijkerhout;

Having regard to Opinion No. 26 (2006) of the Congress of Local and Regional Authorities of the Council of Europe on the preliminary draft consolidated recommendation on local and regional public services, drafted by the CDLR (CDLR (2006) 14);

Considering that the changes that have taken place since the adoption of Recommendation No. R (97) 7 of the Committee of Ministers to member states on local public services and the rights of their users justify its being updated by means of the present recommendation, Recommends that the governments of member states:

I. As concerns the role and the importance of local and regional public services

1. base all their national policies, programmes or legislative reforms concerning or affecting local and regional public services on the following principles:
 - a. local and regional public services are one of the expressions of local and regional authorities' self-government and a powerful means at their disposal in the service of the public interest. They contribute to the exercise of the powers of local and regional authorities, which bear responsibility for them;
 - b. local and regional public services contribute to social cohesion by providing solidarity services and implementing the assistance policies adopted at national, regional or local level. It is their concern to tighten the links between residents, to prevent damage to the social fabric and to maintain solidarity in local and regional communities;
 - c. local and regional public services contribute to sustainable development and to the equitable and rational distribution of the resources available within the area covered by the local or regional authority. They reconcile the demands of rural areas and urban areas, as well as the demands of the economy and those of environmental protection;

II. As concerns the decentralisation of public services

2. base their national policies, legislative initiatives and reforms concerning the level of administration responsible for delivering public services on Article 4, paragraph 3, of the European Charter of Local Self-Government and on the following principles:
 - a. the proximity to the population of local and regional public services is a fundamental necessity, and local and regional authorities have a vital role to play in the provision of these services. In order to ensure that services are adapted to citizens' needs and expectations, local and regional authorities should benefit from a high degree of decentralisation and a capacity for independent action in the provision of these services;
 - b. decentralisation in the field of public services must comply with the principles of consistency and unity of application of public policies for the benefit of all citizens, co-ordination and territorial solidarity;
 - c. the degree of decentralisation which is desirable depends on factors such as:
 - territorial structure, size of local and regional authorities;

- nature, importance and territorial dimension of the service;
- local and regional authorities' effective capacity to perform the corresponding task;
- quality, effectiveness, efficiency and economy in the delivery of services;
- complementarity in the action of the public authorities;
- the importance of a particular public service for the life and needs of a community and its users;

3. give local and regional authorities, when measures taken at national level create obligations for them, every assistance by adopting the requisite measures, including financial measures to enable the provision of quality services;

4. encourage and create, as necessary, machinery for consultation, co-operation and co-management between the levels concerned, including, where appropriate, with the voluntary and private sectors, in order to establish synergies and avoid duplication;

III. As concerns service users' role in defining, regulating and managing local and regional public services

5. ensure that all national policies relating to local and regional public services, and all choices as to the best way of supplying such services, have consumer and taxpayer satisfaction as their essential goal and are founded on a needs analysis carried out, in particular at local and regional level, on the basis of information about community expectations and the best possible cost/quality ratio;

6. where necessary, help local and regional authorities when defining and delivering local and regional services to adopt a comprehensive and integrated approach which takes into consideration the person – his or her needs – as a whole in order to offer, as far as possible, made-to-measure personalised services;

7. create the conditions and provide assistance so that machinery can be put in place that enables the competent authorities and service providers to adapt their range of services and adjust to the rapid change in citizens' expectations and in objective conditions;

8. guarantee, within the limit of financial and budgetary constraints, continuity in the provision of certain local and regional public services which are considered to be essential for the population;

9. with reference to specific needs and in consultation with local and regional authorities, adopt minimum standards for the protection of the users of the essential services, and create the necessary machinery for monitoring compliance with them; where applicable, these standards should be in conformity with the provisions of the international and European instruments to which the state has subscribed;

IV. As concerns the legal framework governing local and regional public services

10. establish a clear definition of the responsibility of the various tiers of government and a balanced distribution of roles between these tiers in the field of local and regional services; such distribution of roles, understood by and acceptable to the stakeholders concerned, shall make it possible to avoid a power vacuum and the duplication of powers;

11. adapt the legal framework concerning local and regional public services in order to ensure that it is sufficiently flexible to allow diversification in the way of supplying them and in the choice of supplier – whether this is in the public or private, commercial or non-commercial sector;

V. As concerns performance management of local and regional public services

12. with due regard to the initiatives, powers and decision-making authority of local and regional authorities, stimulate and help them to set up effective performance management systems and to exchange their experience in these fields with authorities from other states on a regular basis;
13. ensure that the aim of any national initiative concerning performance management is to improve the services and not to penalise some authorities for their lower performance or to introduce new forms of control;
14. facilitate procurement of relevant information and make available information about the different choices concerning local and regional public service management methods, their management results and possible ways of improving relations with users, in co-operation with local and regional authorities, their associations and their training bodies;
15. encourage or facilitate, by all appropriate means, innovation in these matters, as well as exchanges of information among authorities at both national and international level, in co-operation with local and regional authorities, their associations and their training bodies;

VI. As concerns the action to be taken on this recommendation

16. draw inspiration from the guidelines appended to this recommendation for taking the appropriate political, legislative and financial measures to support and encourage local and regional authorities in their efforts to set up and adapt public services so as better to cater to public interest and fully respect users' rights and needs;
17. translate into their official language(s) and disseminate to local and regional authorities or their associations the present recommendation, inviting them to take note in particular of the guidelines addressed to them, which appear in Part II of the appendix.

Appendix to Recommendation CM/Rec(2007)4

Guidelines on local and regional public services

Part I – Guidelines addressed to central authorities

These guidelines are addressed to central authorities, in so far as they are responsible for defining the legal framework of and for monitoring the activity of local or regional authorities.

In certain federal states, these powers are held by federate bodies. Where this is the case, these guidelines are addressed to them. The central authorities are invited to draw their attention to these guidelines.

Making users the central concern

1. The definition and regulation of services at national level should be based on the requirements of the public and the need to improve services constantly.
2. Making the public aware of public, local, regional or national authorities' acts and deliberations should normally be a condition for the enforceability of administrative decisions.
3. The obligation to disseminate general and full information should relate not only to the rules of law, but also to all facts relating to the organisation and operation of the service (nature of services, price, quality, times), which should be made available to all by

differentiated means, taking into account the type of service and the characteristics of the population concerned.

Performance management

i. Implementation of a performance evaluation system

4. An understanding between the central and the local and regional authorities should be reached on a joint methodology and a series of common definitions, while ensuring that the methods of analysis are sufficiently flexible to take account of the considerable differences between the services, the authorities and their context.
5. A national policy on performance evaluation for local and regional public services should include the following:
 - a. an information production system promoting the use of separate accounting for each local or regional public service;
 - b. standardised indicators for every significant local or regional public service or category of service, which local and regional authorities could use in order to ascertain the performance of their services.
6. Central authorities should endeavour to ensure that the local and regional public service evaluation system is implemented in a sufficiently widespread fashion, through the spontaneous agreement of local and regional authorities and a mixture of incentives and binding measures. Spontaneous agreement is preferable and easier to obtain if the local and regional authorities are involved in defining the methodology they are asked to apply, and if this methodology makes it possible for them to engage in the process in stages, choosing their starting point.
7. The application of the system should be constant over time and regular, accurate and full information should be given about the findings of the evaluation.
8. Performance evaluation should not be used for political ends: reporting, in the light of political interests of a particular moment, only on the good or poor results of local and regional authorities would be a misleading use of information.

ii. Setting up of a national information policy

9. Central authorities should implement a national information policy which should pursue a dual objective: to enable citizens in general and users in particular to have access to essential information about local and regional public services (objectives, financial resources, results, etc.) on the one hand; and on the other, to promote exchanges of experience among local and regional authorities which have adopted an evaluation system.
10. Central authorities should collect and ensure the publication each year of the available information about services provided by local and regional authorities, in a form comprehensible to the general public. A certain amount of publicity should also be given to innovative experiments and to the most significant results.

iii. Taking stimulation measures

11. Central authorities, in co-operation with the associations of local and regional authorities, should hold national seminars for local and regional elected representatives and their authorities, or even real (or actual) training courses on performance management.

12. Central authorities could link the level of central government financial support for certain expenditure on local and regional public services to a performance evaluation system.

iv. Setting up of specific support structures

13. Central authorities should offer each authority who so wishes assistance in developing the management of its services, and should endeavour to palliate the technical and financial difficulties experienced by local and regional authorities in the use of evaluation systems.

14. If the need arises, central authorities should help those authorities wishing to introduce a performance evaluation system to organise an analysis of the needs in terms of resources, staff, estimated costs and know-how. Such "audits" could be entrusted to specialised central government officials, to specialist firms, or could be carried out with their assistance by the authorities concerned.

15. In order to help authorities who lack the necessary resources to collect and process information, the central authorities could, in agreement with the authorities concerned, set up an information collection system or provide financial support for initiatives taken for this purpose by local and regional authorities.

Delegation of public services to the private sector

16. Where necessary for the protection of citizens, and particularly for important services, the basic provisions concerning the conditions which private operators must meet when they supply local or regional services, and the monitoring conducted by public authorities in order to guarantee compliance with these conditions, should be laid down in legislation.

17. Central authorities should prepare handbooks, manuals and model contracts to help those local and regional authorities who decide to delegate public services, and provide a technical advisory service for those authorities who require it.

18. In association with local and regional authorities and their associations, central authorities should define, if necessary, at national level, an efficient system for the evaluation and comparison of the performance of private providers (see 20.) of public services.

Co-operation

19. Central authorities should make full use of the various forms of international co-operation available in order to exchange experience and identify good practice, particularly in those areas where there is usually less experience, such as needs and risk assessment and evaluation of service performance and impact.

20. The legislative framework for participation by the private sector, commercial and non-commercial, in the provision of local and regional public services should facilitate partnerships and modern forms of public contracts, and should make possible developments in information technologies.

Part II – Guidelines for local and regional authorities

The following guidelines are founded on the analysis made by the Council of Europe Steering Committee on Local and Regional Democracy (CDLR) of best practices among European local and regional authorities as regards the definition, regulation, management

and financing of public services at local and regional level.

They have no legal value: local and regional authorities are invited to use these as guidance in their efforts to improve the services which they offer directly or indirectly to the population.

Making users the central concern

i. Services appropriate to the needs

21. Local and regional authorities should organise those services for which they are responsible in such a way as to efficiently meet the needs of the population living on their territory, taking into account the need to constantly improve the quality of their public services in order to keep pace with changing social demands, general political priorities, the requirements of proper economic management, and technological changes.

22. Equality among users should be one of the aims of local and regional public services, and this may necessitate the application to users of differential treatment (pricing, assistance, access conditions, etc.) so as to take into account their specific situations.

23. The national and regional provisions which ensure the continuity of essential services should be judiciously supplemented by local and regional agreements introducing arrangements for special occasions, such as holiday periods or long weekends.

24. In order to ensure that the principles of equality and continuity are introduced, local and regional authorities should ensure that certain public services remain available to residents, specifically where low population density makes them financially unprofitable; any withdrawal of a public service in such areas should be the subject of a duly reasoned decision, including proof, for example, that alternative solutions, such as the grouping of services, the provision of multipurpose services or the use of modern technologies, are not viable.

25. Local and regional authorities should endeavour to make their services more accessible through:

a. improved geographical proximity, implying the optimisation of the use of administrative outstations and offices;

b. a reduction in the time taken to access the service, through, for instance:

– simplified procedures;

– opening hours compatible with residents' timetables;

– a work organisation enabling a better throughput of users and avoid long queues;

– efficient public transport services;

c. reduced access costs, particularly for the most disadvantaged categories of users;

d. proper provision for special cases (disabled, destitute or illiterate people).

26. Where services of a more commercial nature are concerned (water, transport, energy, etc.), the "principle of the most favourable provision" could be adopted by the local and regional authorities; in accordance with this principle, where the situation and circumstances are similar, the guarantees enjoyed by public service users should not be less than those accorded to the customers of private firms.

ii. Information and publicity

27. Local and regional public services should organise their communication with users in such a way as to ensure that all interested persons are sufficiently aware of their rights and the services which are available to them, as well as the applicable rules. To this end, public services should draw up and implement a true information policy, in accordance with users' recognised right to information.

28. In order to prevent the complexity of the rules and the language used from making comprehension difficult and thereby giving rise to discrimination, the public services should constantly endeavour to make available information which is appropriate in both its form and its content.

29. Local and regional authorities should carefully examine ways of disseminating and accessing basic information, and select the most relevant media for a specific situation: display of notices, specialist reception service, local press, municipal bulletin, radio, television, Internet and other information technologies, telephone, etc.

30. In respect of all major projects and of the setting up, substantial alteration and withdrawal of services or facilities, users should receive detailed information in advance. They should be given the opportunity to express their view on this operation to the public authority who has decided to carry it out.

iii. Simplifying administrative procedures

31. Services should be designed and organised, and their administration specialised, in the light of citizens' needs, rather than administrative needs. There should be no partitioning of an artificial nature, or lacking transparency for the user, reception should be rationalised, multi-service counters and mobile offices should be introduced, etc.

32. Administrative and legal language, although naturally requiring rigour, should be viewed as a way of facilitating social relations. It should therefore be adapted to modern culture, so as to make it comprehensible to the greatest possible number of users.

33. As far as possible, precedence should be given to the setting of uniform standards, which are clear and valid for all local and regional public services, standards which all users are able to understand, respect and rely on.

34. Local and regional public services should avoid redundant, futile or excessively costly procedures, and require of users only what is strictly necessary to the performance of their tasks.

35. The staff of public services who come into contact with users should have received training for this task and should be strongly aware of both their duties and the rights of the users in whose service they are working. The physical organisation of the premises, greater responsibility and identification of the staff and personalisation of relations, including written ones, are all means of attaining these objectives.

iv. Dealing with users' complaints

36. The way in which customer complaints are dealt with should be a routine operation in any business and should be designed and organised accordingly. It should meet the dual need to find rapid solutions to the problems raised and, where a complaint is justified to remedy the underlying causes.

37. Users should easily be able to find out about and make use of complaints procedures, which should be simple. These should be widely drawn to their attention and organised in a way enabling speedy processing.

38. The practical conditions for dealing with complaints should be appropriate to the specific status of the service. It may be a specialised service, usually under the immediate responsibility of an elected representative, a body which has user representation, or a committee of elected representatives. In every case, it should have specially trained staff concerned about its effectiveness.

39. In cases where it is justified by the size or importance of the services, local and regional authorities could appoint an ombudsman, a member of their council or a specially appointed official, either for all their public services or for certain specific services.

v. Participation of users in the management of local and regional public services

40. Citizens should have many channels available for expressing their requests and voicing their criticism of local and regional public services: election of local and regional assemblies and executives, right of petition and complaint, attendance at meetings of deliberating assemblies, participation in referendums and, possibly, in popular initiatives, etc.

41. The information provided, available alternatives and the evaluation and monitoring procedures put into practice, should enable users through their own behaviour (choice of provider, replies to user satisfaction enquiries and questionnaires, etc.), to influence the production and distribution of public services far more than through delegates or through the proliferation of institutions and procedures set up for this purpose.

42. The opportunity of involving users in the management of public services should be examined; their participation should be encouraged where their interests can be best taken into account, but without fostering corporatism or excessively slowing down the management machinery. It is most of all in clearly collective services such as social, cultural or educational services that formal participation in the decision-making process could be usefully introduced, for instance in the form of ad hoc joint committees, representation of citizens on municipal committees or boards, an annual meeting of representatives of users and the services concerned based on a jointly agreed agenda.

43. Local and regional authorities should encourage the voluntary sector, sponsorship and private initiatives, which can, in conjunction with or supplementing, their public services, help to meet residents' collective needs: kindergartens, school meals, school transport, libraries, environment, assistance for the elderly, health, assistance for children in difficulty at school, etc.

44. Local and regional authorities should endeavour to involve NGOs and the other non-profit-making private-sector players in the definition of policies and services, to make use of their energy in the management and follow-up of activities, to make use of the information that they hold and make available to them some of the information held by the authorities, to participate in the financing of their activities, etc.

Provision of services

i. Management of services

45. Local and regional authorities should ensure that there is efficient and sound results-oriented management requiring a regular review of services on the basis of the following principles:

- a questioning of why, how and by whom a service is provided;
- a comparison with others' performance through a range of relevant indicators, taking into account both service users' and potential providers' opinions;
- consultation of local and regional taxpayers, the users of the service, partners and the broader business community in order to set new performance targets;
- fair and open competition wherever possible, as a means of ensuring that services are both efficient and effective.

46. Local and regional public services should adopt that form of management and method of financing which ensure the best synthesis of all the legitimate interests and offer the best cost-benefit ratio. In this context, they should take account of both direct effects and the side-effects of the service's activity, *inter alia* in terms of social solidarity, protection of the environment and efficient use of space.

47. Policies on the recruitment, training and careers of public service staff should make it possible to provide competent and motivated members of staff.

48. Even the smallest local and regional authorities should gradually acquire information technology (IT) equipment (hardware and software), train their staff and define their IT project in order to ensure proper management of information (collection, processing, sharing with other authorities and services), to provide relevant online services (information and advice, taking of certain steps such as filling in forms, paying taxes, etc.) and to encourage citizens to play their part in the selection, management and evaluation of services.

49. Local and regional authorities should make use of the most modern information techniques in order to target more accurately the services they offer and create databases containing statistical information about actual and potential users, supply and demand for each type of service, results, costs, full evaluations in terms of user satisfaction, service/price analysis, interesting experiments carried out, etc.

ii. Financing

50. Local and regional authorities should strike a fair balance between the participation of beneficiaries in the financing of services and their financing through taxation, that is, between the principle of individual responsibility (and that of instilling a sense of responsibility) and the principle of solidarity.

51. As far as possible, local and regional authorities should levy contributions on all who benefit directly or indirectly from the positive externalities generated by local and regional public services (accessibility, real estate capital gains, contribution to economic development), rather than just direct users.

52. The choice about the extent to which costs are to be covered by taxation should be made in full knowledge of the facts, on the basis of accurate and complete information; this choice should be the subject of a political decision before the event and should in no circumstances be a result of operation.

iii. Modernisation and innovation

53. Local and regional public services should play a part in the modernisation of public administration and offer frequent scope for trials in this field. They should adapt to the population's changing needs and adopt new techniques when these foster progress and enable user satisfaction levels to be improved.

54. Managers of public services should be attentive to the lessons that they can learn from the experience acquired by other authorities, including those in other countries. They should be encouraged to take part in the pooling of information, at regional, national or international level, in order to perfect the practice of local and regional public administration.

55. Local and regional authorities should organise and take part in pilot operations to introduce new techniques, even in areas where they do not have a leading role to play. They should, in particular, perform a prominent and exemplary role where energy-saving and anti-pollution policies are concerned.

56. Pursuit of innovation in the field of local and regional public services should not have a purely technical focus. Innovation is equally possible in new social practices, in the field of welfare or health, safety, drug prevention, training, citizen participation in public decisions, cultural or sports activities, etc.

Performance management

i. Principles of evaluating performance

57. Local and regional authorities should introduce a system of performance evaluation carried out regularly and publicly. In order to make such evaluation possible, it is necessary to set up appropriate information systems concerning existing services and the needs of the population, and to ensure that relevant information is exchanged among the various authorities involved.

58. Performance evaluation should become a criterion to be followed when decisions are to be taken about policy options, particularly in relation to the local and regional public service management system, as it is a means:

- of improving local and regional public services, consistent with requirements, their results, their impact and their value for money;
- of increasing the effectiveness of the monitoring of the use of public resources by local and regional elected bodies;
- of providing users with appropriate information about services;
- of guaranteeing greater transparency for public activity;
- of increasing citizens' participation in decisions relating to the organisation of the services and the actual activities they have to carry out.

59. Local and regional authorities should assess the performance of their services by means of performance indicators. The ultimate aim should be user satisfaction, and therefore improvement of the service (in terms of effectiveness, efficiency and economy).

60. Political and administrative monitoring should concentrate on the setting of targets and the evaluation of results, while leaving local and regional public service managers adequate freedom of action and responsibility. The purpose of this monitoring should be not only to prevent or penalise irregularities, but also to improve service quality by placing the emphasis on consistency between the targets set and the results obtained.

61. Local and regional authorities should frame their own information policies, in order to make known the objectives of the public services for which they are responsible, and periodically to provide their public with appropriate information about the services rendered and the results achieved in light of the targets set. The aim of this policy should be not only to ensure that public activity is transparent, but also to create communication channels enabling the public to make known its opinion of the management of the services received.

ii. Implementation of the evaluation system

62. Local and regional authorities should endeavour to plan – possibly following guidelines set at national level – the phased implementation of a system for evaluating the performance of their services. For this, they could rely on the already numerous experiments carried out in other countries.

63. Each major service should be periodically evaluated to establish the degree of user satisfaction, as measured by several straightforward indicators (number of subscribers or cancelled subscriptions, levels of use, pricing, income received, numbers of official complaints, specific surveys, etc). This assessment should be public, and could also be the object of a public examination.

64. When evaluating their services, local and regional authorities should include positive or negative spillover effects (influences outside the provider-user system) produced by the services concerned.

65. Local and regional authorities should obtain the skills required to evaluate performance, either directly (specialised staff) or indirectly (use of independent management auditors) and ensure that the persons responsible for evaluation are not open to influence from service providers.

66. A first step towards implementation of an evaluation system should be the introduction of separate accounting for each service. This would facilitate evaluation of costs, guarantee transparency and the appropriateness of financing and strengthen the responsibility of managers, drawing on the model of similar private services.

67. Networks should be set up to promote consultation, adopt common indicators, standardise the measurement of performance of certain services and make it comparable. An important role could be taken on in this context by the national associations of local and regional authorities.

68. Where specific structures are set up by central government to process statistics, or other data, relating to local and regional public services, local and regional authorities should play an active part in the information collection system, and should make available to the management centres set up at national or regional level, all the information and indicators at their disposal.

69. In the absence of central government action to process statistics, it would be appropriate for local and regional authorities to study methods of co-operation between themselves in order to exchange information and experience using a common method of analysis.

iii. Improving the management of local and regional public services

70. Local and regional authorities should ensure that “control panels” and benchmarking systems are introduced for regular use by decision makers and by the staff concerned, in order to detect in good time the changes and the results of the various policies, but also to make possible a comparison with the results achieved by other similar services. The “control panels” and benchmarking systems should preferably be public and accessible to all citizens, for example on the Internet.

71. Local and regional authorities should ensure that services are improved and/or redefined in the light of the results of performance evaluation procedures.

72. The criteria used in performance evaluation should be quantifiable, accurate, and reliable, even where the situation is changing, and should be known in advance without giving rise to adaptation with undesirable effects.

Delegation of public services to the private sector

i. Decisions to delegate

73. When local and regional authorities decide to delegate a public service they should bear in mind only the interest of the community and use as their basis clear and reliable data, particularly in light of the relationship between quality and price for users and for taxpayers. Where a public service is delegated, the delegating authority should retain political and legal responsibility.

74. Local and regional authorities should not delegate those responsibilities which imply a significant use of public authority. Delegation of a service should not jeopardise citizens’ fundamental rights and freedoms, statutory guarantees and other requirements of good governance (including the citizens’ right to be heard in matters concerning them, the need to justify decisions and the right of remedy).

75. The criteria on which any decision to delegate a public service was based, the operator selected and the results of the various evaluations should be widely publicised.

ii. Contractual clauses

76. Local and regional authorities should define clearly in the specifications the management objectives, in quantitative and qualitative terms, and should ensure, in the concession/delegation contract, that risks and responsibilities are clearly shared out, that the financing structure is clear and that there are strict information and evaluation procedures.

77. If the type of service so requires, local and regional authorities should ensure that the public interest and the most disadvantaged persons are protected through the introduction of public service obligation clauses in the concession contract. They should compensate for these public service obligations not on the basis of effective costs, but more of “output” (volume of services, number of users, etc.), or in the form of a fixed sum to be established in advance.

78. Local and regional authorities should define the period of service delegation contracts taking account of the operator’s need to develop its policies and recoup its investment, but also the need to encourage the operator to improve its performance in order to obtain renewal of the contract; generally speaking, a period of between five and ten years should meet both requirements.

79. Local and regional authorities should ensure that private operators are made responsible, by involving them, through contractual clauses and the financing structure, in the various types of risk: relating to investment, industrial (on costs) and commercial (on

income).

iii. Financing of delegated services

80. Local and regional authorities should not use transfers of public funds to the operator in order to offset the results of poor management, but solely in order:

- a. to share the costs between direct and indirect beneficiaries;
- b. to act in the interest of disadvantaged persons;
- c. to encourage the least harmful services for the environment;
- d. to ensure sustainable development and make the community more attractive both as a place to live in and for firms.

81. Having set the portion of costs to be covered by public resources, local and regional authorities should finance this portion mainly through public service obligation compensation (compensation for providing a service to remote areas, for reduced rates, etc).

82. Local and regional authorities should avoid subsidising the operator and allow it to obtain a substantial part of its income from fees paid by users. In order to improve the access of the most disadvantaged persons, it is appropriate to give precedence, in addition to the remuneration of public service obligations, to the granting of subsidies directly to users (cost exemption or reductions, vouchers, etc.) ,depending on their number and composition. Any possible subsidy to cover a deficit should not be granted except in specific cases (for example, when there is a strong will to promote the use of a service deemed essential to urban or rural development), and should be set before the start of the financial year on the basis of standard costs, not effective expenditure.

83. Local and regional authorities should clearly identify the implicit subsidies (premises made available, reduction in tax, etc.), consolidate these in any management analysis, and grant them subsequent to a clear decision made in full knowledge of the facts.

Related documents

CM/Del/Dec(2007)985/10.4abc

Steering Committee on Local and Regional Democracy (CDLR) - a. Abridged report of the 38th meeting (Strasbourg, 20-22 November 2006) - b. Draft Recommendation Rec(2007)... of the Committee of Ministers to member states on local and regional public services - c. Draft Recommendation Rec(2007)... of the Committee of Ministers to member states on the conclusion of transfrontier co-operation agreements in South-Eastern Europe



DOC



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