Policy advice on strengthening the status of cities and municipalities in Slovakia

Council of Europe

Centre of Expertise for Good Governance

in cooperation with the Slovak NGO MESA10

Author: Cezary Trutkowski, Council of Europe expert

January, 2023

CEGG/PAD(2023)1

Good Governance

mesa10

MINISTRY OF INTERIOR OF THE SLOVAK REPUBLIC

Co-funded by the European Union

EUROPEAN UNION

COUNCIL OF EUROPE

CONSEIL DE L'EUROPE

Co-funded and implemented by the Council of Europe

Delivering Good Governance in Slovakia – II phase

This document was produced within the project "Preparation of legal and policy advice on good governance in Slovakia" (Ref. No: GA/SK/1/2021) funded within the framework of a Joint Project between the European Union and the Council of Europe "Delivering Good Governance in Slovakia – II phase".

Under the guidance of, and in cooperation with, international experts engaged by the Council of Europe, MESA10 implemented activities through provision of the necessary local expertise as well as logistical support.

The present document was prepared by the Centre of Expertise for Good Governance, Directorate General II – Democracy and Human Dignity, Council of Europe, in cooperation with peers from the Czech Republic, the Netherlands, Poland, Slovenia, Sweden, Ukraine, and the United Kingdom.

The document was elaborated by Dr Cezary Trutkowski.

This document was produced with the financial assistance of the European Union and the Council of Europe. The views expressed herein can in no way be taken to represent the official opinion of the European Union or the Council of Europe.

Content

Executive Summary ***4***

Introduction ***8***

Structure of the local government administration in Slovakia and its consequences ***10***

Fragmentation of the territorial division of the local government administration *10*

Remedial actions - attempts at local government reforms *13*

Deconcentrated State administration *15*

Inter-municipal cooperation *15*

Original vs. transferred competences *17*

Financing of Public Tasks *18*

Deficits in the implementation and monitoring of public services ***21***

Reforms proposals - towards more efficient and better delivery of public services ***27***

Changing the structure of the territorial division - amalgamation of municipalities *27*

Strengthening inter-municipal cooperation *28*

Diversification of the competences of local authorities *29*

Introduction of a second - intermediate level in the local government administration *31*

References ***35***

Annex – Peer Review Programme ***36***

Executive Summary

It is known that the high territorial fragmentation in the Slovak Republic poses a serious problem for the proper functioning of its local government system. There are too many units, they are too small and therefore have limited possibilities for operation. Their development potential is insufficient. Many of them are unable to provide the required and / or satisfactory level of public services. The fragmentation severely limits the country's development opportunities, does not allow for optimal use of resources, does not contribute to improving the quality of life of the inhabitants of communes and contributes to regional disparities.

At the same time, various types of mechanisms that could potentially support or optimise the activities of local governments are too weak to be able to interact adequately. Notably, it concerns the system of control over the proper functioning of the local governments - both with regard to the legality of the actions taken and their effectiveness. As a result, in a situation of strong political and executive position of the mayor and a relatively weak position of local councils, the possibilities of monitoring the effective use of public funds are limited.

Both in the studies prepared so far and in the discussions held over the course of the peer review, the peers have come across various proposals for solving these problems. The members of the peer review team clearly indicate that the most appropriate direction of possible changes is to combine local government units into larger organisms, which should lead to an increase in their resources and capacities, their potential for the implementation of public tasks over an appropriate geographical area as well as their ability to attract competent and skilled workforce. This is, in the opinion of the peer review team, the most appropriate path of the future reforms.

Nevertheless, the peers understand that there would be significant challenges to the implementation of this recommended solution. They mainly relate to social issues (which include a strong influence of elements of social identity determined by the place of residence) and, on the other hand, political issues such as opposition to the loss of influence and power of local politicians who often also have a bearing on national politics.

Therefore, with the caveat that these are not the most optimal solutions, the peers propose to consider alternative scenarios of local government reforms. Reiterating the need to remain close to the principles of the European Charter of Local Self-Government, the peers believe that their main guiding principles should be: effective decentralisation of public authority and the principle of subsidiarity with regard to allocating responsibility for the implementation of public services.

It is in this perspective that the peers emphasise that the division between original and transferred competencies should be modified in such a way so as to implement to the maximum extent possible the principle of decentralisation of public authority. The delegated tasks (transferred competencies) are an element of the de-concentration of the state's tasks and not of the true de-centralisation of competences to the local level.

Authority over public tasks and autonomy in the manner of their implementation should be delegated to the maximum possible extent to self-government bodies acting on their own territory on behalf of the residents of that territory. At the same time, in accordance with the principle of subsidiarity, the scope of tasks should be adapted to the capabilities of municipal administration.

The peers do not recommend differentiating the status of towns and municipalities (referring to smaller communities, i.e. villages) as they believe that in its basic form, all local governments should be responsible for the same basic scope of tasks to ensure equality of access to services for all citizens. It should be defined so that each unit of the basic, self-governmental division of the country has sufficient potential to implement it. The peers understand that this will be a limited scope.

At the same time, the peers propose reorganising the structure of local government in such a way that, while preserving the cultural and historical heritage of the basic level units (*obec*), allows the creation of democratically appointed governance structures at the supra-municipal level. In many countries, such structures exist in the form of a second tier of local government - such as Polish "*poviats*", UK "*counties*", French "*départements*", Italian and Spanish "*provinces*", or German "*landkreise*".

Such units would operate over a larger area, encompassing a certain number of basic units. The geography of this area should reflect current patterns of where people live and work, consider issues of local identity, provide for convenient and effective local government, and cover a functional economic area. Second-level units would have an additional, broader set of competences that they would exercise in relation to the entire territory they cover. This could include competences brought up from the lower tier, and competences brought down from the regional tier. The peers believe that such a two-tier division of competences and the resulting allocation of responsibility for the implementation of public services would allow for the transparency of the local government administration system, contributing to more efficient delivery of public services and unlocking the hitherto unused potential.

Of course, the possible introduction of a second level of local government organisation should be preceded by a systematic analysis and due reflection on the shape of the administrative division in which the existing local government units could find their place, participating in all decision-making processes concerning their territory.

The peers would like to point out that the proposed directions of reforms will require a broad support of various stakeholder groups. In order to achieve it, an extensive social dialogue is necessary, carried out in good faith, in a transparent manner, with care for democratic values and with the guiding objective of unleashing the country's development potential and providing effective and sustainable public services. The peers recommend the establishment of a local government reform committee - a round table, where representatives of various stakeholders' groups would be able to work out final reform assumptions based on agreed objectives and transparently constructed criteria. The task of the central government would be to set the criteria and make the final judgement.

To summarise the introductory remarks, it should be noted that any reform must define its priorities. Technical solutions can be negotiated but the fundamental direction of reform is the domain of political decision. The Slovak government should make clear whether decentralisation of public administration is, or is not, a part of its political agenda. In the event of a positive declaration, the necessary steps should be taken. Proposals for some of such steps are outlined below.

Specific recommendations:

1. The peer review team members do not recommend differentiating the status of towns and municipalities in Slovakia. The introduction of such changes would raise significant doubts as to the democratically designated responsibility for the implementation of tasks entrusted only to certain local government units and could increase regional disparities and inequalities.

2. In the opinion of peer review team members, the most appropriate direction of local government reforms would be the introduction of the second tier of local government administration - between municipalities and regions. If such a reform is introduced, the competences that cannot be dealt with effectively by small municipal units should be transferred to the second level units.

3. The Ministry of Interior should try to define the optimal scope of competences to an optimal size of a Slovak municipality and evaluate the division between own and transferred competences. It looks like sometimes transferred competences can be redefined as municipal own ones.

4. One of the reasons for the impasse in local government reform efforts is the lack of dialogue between the interested parties. The dialogue contributes to mutual trust, better understanding of others' interest, and discussion about common goals. The government should organise a kind of 'round table' to discuss proposals for the reforms. It should invite all four associations (ZMOS[1], UMS[2], SK 8[3] and ZOMOS[4]) and propose a constant and permanent discussion. Both sides should define the problems, possibilities, challenges, and opportunities of the Slovak local self-government. These discussions should not only be focused on the options for structures. It should also focus on the needs of Slovakia and the pathway to economic, social and environmental success. The reforms should then aim to support those common goals.

5. Improving the performance of public services does not have to be associated only with administrative changes. It is worth putting more emphasis on the digitisation of management processes and the introduction of e-government services. Their development could seriously relieve the workload of local government officials.

6. Financing of public services should be based on a reliable cost-benefits analysis. Otherwise, it is impossible to determine the effectiveness of the tasks performed or meaningfully discuss the demands for changes in the organisation of local government activities. It is worth considering introduction of a system for monitoring the implementation of public services, taking into account, inter alia, analysis of the conditions and local costs of service provision by municipalities. The consequence of introducing such a system should be a review of the principles of financing local government units.

7. The need for greater participation of citizens in the formulation of public policies arises for at least two reasons. Firstly, in view of the identified problems in the enforcement of effective supervision over the activities of local governments, it is necessary for citizens to increase their interest in public affairs. Secondly, the organisational shortcomings and limited human resources of the local administration could, to some extent, be reduced or partially overcome through greater involvement of citizens in public activities. It should be emphasised that public participation is by no means about limiting the decision-making and responsibility of local authorities for managing current affairs. The point is, however, for the inhabitants to feel jointly responsible for local development to a greater extent than before. Therefore, it is necessary to consider the introduction or

[1] Združenie miest a obcí Slovenska

[2] Únia miest Slovenska

[3] Združenie samosprávnych krajov SK 8

[4] Združenie občanov miest a obcí Slovenska

strengthening of mechanisms favouring the promotion of citizens' participation in the life of self-governmental communities.

8. The findings of the peer review clearly indicate that one of the sources of problems faced by local government administration are the limited competences of local government staff. Consideration should be given to undertaking training and capacity-building activities in line with the recommendations of the National Training Strategy.

9. In case of a local self-government reform, the government of Slovakia should bear in mind that the reform is not an organisational endeavour. Changes proposed must be based on citizen's legitimate expectations, participation, and inclusion.

Introduction

The main purpose of the peer review conducted in Bratislava between 14 and 17 June 2022 by a group of high-rank central administration officials from a few European countries was to develop recommendations for the Ministry of Interior of the Slovak Republic with respect to *strengthening the status of cities and municipalities in Slovakia, diversification of functions for separate types of local government units (cities and municipalities i.e. villages).*

The peer review team participated in a series of meetings in Bratislava with Slovak experts and representatives of various institutions (see program attached). This Report is based on exchanges during these meetings, documents handed over to the peer review team members, and their remarks on the draft of this report.

The PRT included the following experts and officials:

Czech Republic	**Petr SCHLESINGER** Deputy Director; Department of Strategic Development of Public Administration, Ministry of Interior
The Netherlands	**Laura CAPPETTI** Policy officer public administration and democratic rule of law, Ministry of the Interior and Kingdom Relations
Slovenia	**Roman LAVTAR** Head of Local Self-Government Sector; Local Self-Government, Non-Governmental Organisations and Political System Directorate, Ministry of Public Administration
Sweden	**Andreas HERMANSSON** Local Government Unit, Department of Public Administration, Ministry of Finance
Ukraine	**Vitaliy BEZGIN** Head of the subcommittee on the administrative and territorial arrangement and local self-government of the Committee of the public authorities, local self-government, regional and urban development, Ministry for Communities and Territories Development
United Kingdom	**Siobhan SMYTH** Co Deputy Head, Governance Reform and Democracy; Department for Levelling Up, Housing and Communities, UK
Poland	**Dr Cezary TRUTKOWSKI**; lead expert Chairman of the Board; Jerzy Regulski Foundation in Support of Local Democracy

The members of the peer review team, prior to the start of their visit to Bratislava, were presented with a set of questions essentially relating to the way the system of public authorities is organised in the countries they represent, with a particular focus on the issue of redistribution of powers among the different types / tiers / levels of local government:

1. Description of the local government system (one or multiple layers / number of elected officials per 1000 inhabitants / election of mayor / division of responsibility).

2. Is the territorial structure of the local government symmetrical? Does the size of the municipalities vary, or is it equal or similar?

3. If the size of the municipalities is asymmetric, is there asymmetry in the competences as well? What criteria are used to assign different competences to given municipalities?

4. Are the competences clearly defined in a comprehensive way, and do the local governments execute delegated/transferred competences on behalf of the central level?

5. To what extent is the financing of the municipalities regulated at the local level (revenue policy and administration, reliance on transfers, shared revenues)?

6. What are the major benefits / drawbacks of the system in place?

At this point, it is worth noting that some of the issues relating to the administrative division of Slovakia, the size of local government units, the effectiveness of local government administration, and possible reforms of the territorial structure were the subject of previous studies. Of course, the members of the peer review team had the opportunity to read these reports, and their findings were an important reference in the peer review discussions. However, as these are separate, independent documents, in this summary of the visit, some issues will also be discussed in relation to the conclusions developed by the peers. However, this Report should in no way be taken as offering a fundamentally different perspective from that presented in other studies prepared over the last years by the expert teams of the Council of Europe.

One issue has been deliberately omitted in this study - it is the status of the largest cities: Bratislava and Košice. These two largest centres will be subject to a separate analysis concerning metropolitan areas and which will address the key issues concerning their functioning.

The members of the peer review team unanimously emphasise that the primary goal of any reform measures in relation to the local government administration system in Slovakia should be to strengthen the efficiency and quality of public services provided by local government units. The aim of each local government should be to improve the quality of life of the inhabitants. The local government system should therefore be constructed in such a way so as to enable the implementation of this basic goal.

At the same time, it is worth emphasising that, in accordance with the European Charter of Local Self-Government (Article 3), local government "denotes the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility, and in the interests of the local population". Thus, the European Charter treats the right to territorial self-government as a fundamental right, and the right of citizens to participate in the management of public affairs as one of the democratic principles common to all member states of the Council of Europe. The treaty places a fundamental emphasis on the need to protect the independence of local authorities and the need to build state systems based on the actual principle of decentralisation of power. The standards contained in the Charter are supported, inter alia, by the principles of subsidiarity and social participation in decisions concerning local matters. The members of the peer review team directly apply these principles to the developed recommendations and use them as the basis for formulating their observations and conclusions.

Structure of the local government administration in Slovakia and its consequences

After the fall of communism, territorial reforms introduced in what was then Czechoslovakia re-established the system of local self-government. "Under Act 369/1990 on Municipal Administration, local self-government was made up of municipalities as territorial and administrative units. Pursuant to this act and Act 518/1990 on the Transition of the Founding Function of National Committees towards Municipalities, Central State Administration, and Local State Administration, the rights, and obligations of the local national committees in designated areas were transferred to the municipalities themselves, and the basic functions of municipal self-governments were defined. The Act on Municipal Administration made municipalities equal to each other (excluding Bratislava and Košice). This means that regardless of their size, municipalities had to fulfil the same tasks, causing problems particularly in small villages in terms of personnel, organisation, and finances"[5].

Fragmentation of the territorial division of the local government administration

The principles of decentralisation of public authority, laid down in Act No 369/1990 on Municipal Administration, have largely survived to the present day. Local government units have become public authorities with a high degree of independence. They gained legal subjectivity, participation in income taxes collected by the state, and independence in the ways of implementing many, but not all, public tasks (including those which are now the domain of local government activities in many European countries). The basic tasks assigned to local government units at that time (in 1990) were: management of movable property and real estate in the ownership of the municipality, providing for public order in the municipality, local public transport in big cities, construction, maintenance management of local roads and parking places, responsibilities pertaining to public spaces, public green spaces, public street lightning, market places, cemeteries, local water resources and wells, water supply networks, sewerage and water cleaning establishments in small municipalities, construction, maintenance management of local cultural establishments, part of sport, leisure and tourist establishments, infant care homes, part of ambulatory health service establishments, basic social service establishments, education support, nature and heritage protection, culture and creative hobbies, physical culture and sports, humanities activities, municipal police forces and fire service[6].

Since then, a very fragmented territorial structure has also survived. The territorial division, planned after the fall of communism, referred to, what seemed completely natural due to the wave of democratic transformations, freely articulated social needs. In practice, each settlement unit, if it expressed its will, could become a self-government unit of public administration. As a result, between 1989 and 1990, the number of basic territorial units in Slovakia increased from 2,669 to 2,826, a process known as "uncoordinated fragmentation"[7]. To a large extent, these are small units (the median population of local government units is 640 people), with little resources and little development potential. The situation was not changed by attempts at self-government reforms undertaken in Slovakia in the 1990s. Moreover, the fragmentation process continued, resulting in the separation of 2,927 lowest-level local government units (LGUs) by 2021. As already mentioned in previous documents prepared by the Council of Europe, but also as the authors of numerous other expert studies note, Slovakia is now one of the most fragmented countries in Europe in terms of the number and size of the population of basic local government units.

[5] Klimovský D., J. Nemec, (2021) „Local Self-Government in Slovakia"; p. 359

[6] Nemec J., B. Mikušová Meričková, M. Murray Svidronova, P. Pisár, (2017); p. 199

[7] Klimovský D., (2015); p. 138

Particular attention should be paid to the disproportions in the size of the population of individual local government units. The smallest units (up to 1,000 residents), comprising almost 2/3 of all local governments, are home to only about 16% of the country's population. At the same time, 45% of the population lives in towns, which constitute a group of 2.5% of local government units. Perhaps this would not be unusual, were it not for the fact that all these units are obliged to provide the same set of public services - the same set of legally assigned tasks is available to very small units, with a population of no more than a few dozen or a few hundred residents, as well as very large units, with a population of more than tens of thousands. In the case of the former, problems with the implementation of public tasks tend to be significant and result mainly from the limited material and human resources at the disposal of the local administration. And while in larger units with more resources, the implementation of public services does not cause major problems, smaller units simply cannot cope with part of the tasks (sometimes having considerable problems with their delivery). According to the Council of Europe's research carried out in 2020: "The smallest LGUs report that they want to prioritise more on investments in the infrastructure (roads, sewage system) - presumably because they still have parts of their areas not connected to local infrastructure at all and on the other hand, do not have the capacity to prioritise local development or social services (or they do not provide any social services) as the larger LGUs do"[8]. Due to the differences in size and population, there is a huge variation in the administrative and development potentials of local government units of different sizes in Slovakia.

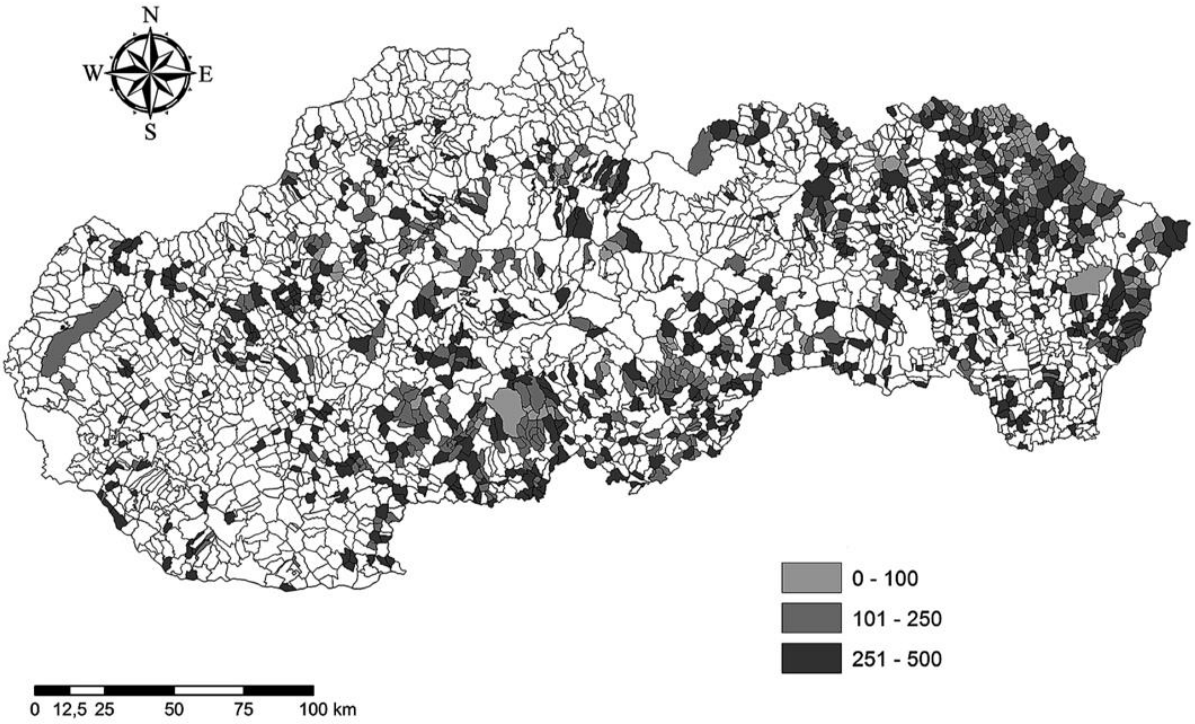
The division into urban and rural units existing in Slovakia adds little to this - there is no division of competences between towns and villages, all units have the same tasks regardless of their population size. And, as already mentioned, the differences in potentials are significant - small units have far fewer material and human resources at their disposal. As a result, in terms of the implementation of public services in small local government units, the perspective of the consumer - recipient of these services (the perspective of a citizen) often does not coincide with the map of territorial division. Some local government units do not provide specific public services and their inhabitants are forced to look for providers of such services elsewhere. As a result, in many places, citizens either do not have access to certain services at all or must deal with an offer that is territorially dispersed - with services not assigned to the local government unit of which they are a part. This raises many dilemmas:

- of a legal nature (how to enforce the obligations of municipalities with regard to the provision of public services?),
- relating to financial matters (how to attribute the costs of public services which are used not only by the citizens of the local government unit that pays for the services?),
- of an administrative nature (what is the responsibility of local government bodies for the scope and quality of services provided to residents of other municipalities?), or finally
- of a social nature (do communities that are practically "forced" to share resources with residents of other municipalities involuntarily become disadvantaged in the redistribution of resources?).

An additional element negatively influencing the activity of local government units is the structure of their size in each region. The largest number of small units, and thus units with the lowest development and administrative potential, are located in the east and south part of the country. Their concentration, in the absence of adequate and effective mechanisms of inter-municipal cooperation (more on this later), must result in a reduction in the quality and scope of public services. Migration is an additional challenge - the outflow of inhabitants from the eastern part of the country, resulting in aging of the society and diminishing development opportunities.

[8] "Training Needs Analysis of local government in Slovakia", CoE (2020), p. 37

Spatial distribution of the micro-municipalities (up to 500 inhabitants) on the Slovak territory



Source: Klimovský 2014: 108.

To sum up, the fragmentation of the territorial structure, especially in terms of the disproportion of the size of the territory and the population of local government units, directly influences, inter alia, on[9]:

- weakening of the fiscal autonomy of local governments (due to the limited possibilities of generating income, and thus increasing dependence on transfers of subsidies from the central budget),
- increasing administration costs (related to disproportionately large costs of remuneration in almost 3,000 local government offices),
- increasing the costs of providing public services (resulting from the inability to apply economies of scale),
- limiting access to public services for some citizens - residents of the smallest local government units (resulting from the lack of sufficient funds to cover the costs of their implementation and / or the lack of sufficient administrative resources),
- lowering the quality of public services (due to the lack of adequate tools for monitoring their implementation in smaller local governments and the lack of effective internal control tools),
- lowering the standards of democracy (due to the lack of competitiveness in political processes in small local government units),
- weakening democratic accountability as there is a disconnect between service delivery and those responsible for those services.

[9] „Peer review on territorial consolidation in Slovakia", CoE, CEGG/PAD/2021/3

Remedial actions - attempts at local government reforms

In the face of the perceived deficits in the functioning of the basic units of the country's local self-government, in 2001 the government of Prime Minister Dzurinda forced the Parliament to adopt laws establishing eight self-governing regions in Slovakia (initially it was planned to create 16 such units). This was a change that was both problematic and with significant consequences. As a result of political decisions, regions were established whose borders were determined arbitrarily and did not coincide with the delimitation determined by historical and social considerations. As a result, regions do not constitute a reference for shaping the social identity of inhabitants and do not enjoy the trust of citizens[10] - they are primarily administrative entities with quite clearly defined competences.

As a result of the introduced reforms and the changes implemented later, regions gained autonomy in deciding on regional development priorities. From 2020, Regional Boards have been established in each of the regions responsible for the implementation of regional development strategies. These strategies refer to the central documents setting priorities in the new financial perspective. Regions are primarily responsible for the use of European funds in the implementation of specific projects, usually of an investment nature (in the previous EU financial perspective, they acted as intermediaries in the distribution of funds from operational programs). They help, mainly by providing financial support from EU funds, in the implementation of various types of projects at the level of local governments.

During the discussions, the peers agreed that an important problem resulting from the adopted regional division was the creation of a territorial organisation with an unbalanced structure. In front of quite large regions, there are often very small, and on a regional scale - microscopic, municipal units. Therefore, the scale of the impact becomes a problem in the management of regional programs - limited administrative resources do not allow sufficient attention to be given to each municipality. As a result, the dialogue between municipal self-governments and regional authorities can be difficult, and the possibilities of effectively supporting each of the municipalities remain limited. In this situation, the role of various types of intermediary institutions increases - be it regional self-governing unions or various types of collective forms of discussion. Of course, these intermediary bodies can only to a certain extent improve the quality of communication between small individual municipalities and the region.

Another issue is the relationship between regional authorities and the authorities of urban centres being capitals of regions, which are not that straightforward - there are areas where the boundaries related to the division of competences are not clear - e.g., in the sphere of culture or sport, as well as some social services. The indicator of responsibility is sometimes the ownership of the property in which the activities are carried out - for example, a theatre or other building.

In 2001, regulations were also adopted to strengthen the autonomy of basic self-government units (provisions in this area were included in the "Law on transfer of competencies of the State to the Regional and Local Self-governments" and in the amendment of the Law on Municipalities). "Municipalities got new responsibilities in areas of road communications, water management, citizenship evidence, social care, environmental protection, education (elementary schools and similar establishments), physical culture, theatres, health care (primary and specialised ambulatory care), regional development and tourism, while self-governing regions became responsible for the competencies in areas of road communications, railways, road transportation, civil protection, social care, territorial planning, education (secondary education), physical culture, theatres, museums, galleries, local culture, libraries, health care (polyclinics, local and regional hospitals), pharmacies, regional development, and tourism. A large set of

[10] Jüptner P., Klimovský D., (2021); p. 2

these competencies was re-allocated from direct ministerial responsibility (hospitals, education, etc.)"[11]. The transfer of these competences from the central level to the local level took place gradually over the years 2002-2004.

As a result, the scope of legally defined competences attributable to local government units, as well as their share in public expenditure, became significant. This was the reason for including Slovakia in the group of "champions of decentralisation" (next to Poland and Hungary) in the well-known typology covering the countries of Central and Eastern Europe developed by P. Swianiewicz[12]. It is worth noting however, that the developed typology was based primarily on the formal features of the system: its territorial organisation, functional decentralisation (measured by the share of sub-national expenditures in GDP), financial discretion of local governments (share of locally controlled taxes in total revenues, the shape of the grant allocation system, local government debt as a percentage of GDP), and horizontal power relations (position of the mayor, the electoral system of local council). And as such, it did not consider the aspects of the effectiveness (financial and organisational) of the adopted solutions, their ability to generate development potential or to enhance the quality of life of citizens.

Meanwhile, both the findings of the "Council of Europe Peer Review on territorial consolidation in Slovakia" cited earlier, as well as the results of ongoing social surveys, or the results of audits carried out by the Supreme Audit Office, point to significant systemic deficits (as discussed further below) that warrant doubting the effectiveness of the decentralisation reforms carried out in Slovakia.

In the light of the discussions conducted during the peer review, it seems justified to say that in the case of the Slovak public administration system (and implemented decentralisation reforms) - "a very typical feature of it is overlegalisation, i.e. the will to solve existing problems by legislative changes through the legal system"[13], without a broader analysis of the consequences of the introduced solutions with regard to their economic efficiency and organisational effectiveness. As a result, **Slovakia is dealing with a quasi-decentralised system** - i.e., one in which competencies, by virtue of legal regulations, have been transferred to local government units, in many cases lacking the resources and adequate capacity to carry out the public services associated with these competencies. This statement, however, requires a comment - the limitations of the development potential obviously do not apply to all local government units in Slovakia. The available data and expert studies indicate a much better situation of larger units with adequate human resources and appropriate financial resources enabling them to provide public services at a satisfactory level. The conclusion reached by the peers regarding the only partial decentralisation of competences in Slovakia is confirmed by academic research - the Local Autonomy Index created by a group of local government researchers places Slovakia among the countries "that combines high levels of interaction with narrow democratic space - a situation that may be appropriately described as one of hollow autonomy. The multistranded system of interactive rule in operation (on paper?) has no counterpart in broad arrays of functions and powers at the local level but appears instead as rather top-heavy governance of local trifles. This group covers a number of post-communist countries and also includes Spain and the United Kingdom"[14].

[11] Nemec J., B. Mikušová Meričková, M. Murray Svidronova, P. Pisár (2017); p. 201

[12] Swianiewicz P., (2014)

[13] Nemec J., B. Mikušová Meričková, M. Murray Svidronova, P. Pisár (2017); p. 196

[14] Ladner A. et al., (2019), p. 346

Deconcentrated State administration

Finally, the public administration system operating at the sub-national level is complemented by 79 districts (with 72 district offices operating). At the time of their establishment, their number resulted from a political decision and was not based on in-depth socio-economic analyses (initially it was planned to establish 36 districts, but there were other proposals of 32 and 38 units). Districts are a form of de-concentrated central administration and as such are not part of self-government administration. Their competences include matters related to civil protection, management of crises situations, cadastre, national defence, environmental protection, agriculture, forestry, hunting, etc.

District offices, in their present form, have been operating since 2004. The former organisation of decentralised state administration was widely criticised. For example, in a report prepared by the Council of Europe Congress of Local and Regional Authorities (2001)[15], whose authors wrote: "The substantial share of public affairs is clearly managed by the districts, which discharge the duties and competences of the state administration. They perform responsibilities which, according to the subsidiarity principle, should be allocated to the local authorities".

In 2004, the previous structures were modified - a network of sectoral state administration offices was then introduced. The ministries have territorial representations in all regions (home affairs, construction, regional development, environment, etc.). It raises doubts whether the changes introduced have really changed the situation to which Article 3.1 of the European Charter of Local Self-Government refers[16], and whether the competences currently exercised by district offices should not, as a rule, be transferred to local authorities? Of course, with the present, fragmented structure of local government units, it would be difficult and certainly some municipalities with a smaller potential would not be able to cope with these competences. Therefore, one should look at this situation in the perspective of doubts as to the real scope of decentralisation of public authorities in Slovakia, presented earlier. As D. Klimovský notes, "Slovakia tried to integrate local public administration into district offices, which, however, deepened the long-term instability of the organisation of public administration"[17].

A particular problem is the unclear delineation of responsibilities between cities and districts for carrying out certain tasks. The results of the 2020 survey indicate that there are doubts about many specific competences, and it is often difficult to reach agreement on the affiliation of responsibilities for the implementation of these services. An example is the statement of one of the mayors: "... there is a big problem with waste, illegal dumpsites and the like. Ministries often throw competences on our shoulders and district environmental authorities are not cooperating with us. On the contrary, we sometimes fight over who owns the problem and so on"[18].

Inter-municipal cooperation

As mentioned earlier, for many local government units the provision of public services is problematic - mainly due to limited material and administrative resources. An attempt to solve this problem was the creation of the "Joint Municipal Offices" (JMO), which are to perform some part of public services on behalf of and for their municipalities - mainly in the field of construction processes, land transport, nature and environment protection, domiciliary services, the primary educational system, water resource

[15] Report on Local and Regional Democracy in Slovak Republic - CG (8) 5 Part II (https://rm.coe.int/report-on-local-and-regional-democracy-in-slovak-republic-29-31-may-20/16807191c8)

[16] Accessible at (https://rm.coe.int/european-charter-of-local-self-government-gbr-a6/16808d7b2d)

[17] Jüptner P., Klimovský D., (2021), p. 2

[18] "Training Needs Analysis of local government in Slovakia", CoE (2020), p. 32

management, flood protection, civil protection etc. The activity of JMO is intended to support the provision of public services in those units that do not have adequate resources themselves (and sometimes allow the provision of certain services in the weakest units at all), to benefit from economies of scale (provision of the same services in associated local governments) and to improve the quality of the tasks carried out (through better use of available resources).

The affiliation of municipalities to these administrative structures remains voluntary, and mayors are not bound by decisions made by the JMO and can change them. This way of establishing the rules of participation in the JMO is of course in line with the principles of democratic legitimacy - it is the mayors who have a democratic mandate to manage local affairs "under their own responsibility and in the interests of the local population" (Art. 3.1. of the European Charter). Nevertheless, it is not conducive to achieving synergy and quality of public services implementation. It is also undermining democratic accountability which in turn undermines public trust. This is undoubtedly one of the shortcomings of the existing JMO system. The second, in essence of the same nature, is the optionality, and thus the potential variability of participation in JMO - municipalities may but do not have to belong to JMO, they may also change their affiliation, which sometimes happens also for non-substantive reasons. The fact that this is a volatile situation may be proved by the decreasing number of active JMOs in recent years.

There are also other forms of cooperation between municipalities - among which are: national associations of universal character, specific-purpose associations, and voluntary institutionalised regional associations (also called microregions)[19]. The latter do not have any specific legal authority but operate on the principle of voluntary association of communes. They generally take the form of inter-municipal associations in historically and / or functionally designated areas. In general, the purpose of their establishment is the implementation of some specific undertakings - investment projects or implementation of other activities (e.g., promotional campaigns).

In the current situation, in the absence of reforms, inter-municipal cooperation (IMC), whether in the form of JMO or implemented in other forms, seems to be the only antidote to a significant fragmentation of the local government administration system with all its problems. Unfortunately, such cooperation will never (and should never, as it creates a threat to democratic accountability) fully replace the activities of local authorities with a democratic mandate to take actions. The IMC can support the implementation of tasks and can be a useful model to foster innovation or to pilot new approaches but cannot guarantee the sustainability of their implementation. As the authors of the Council of Europe report "Peer Review on territorial consolidation in Slovakia" note: "the voluntary character of inter-municipal cooperation arrangements is an element of instability to the system. Municipalities are free to join and or interrupt their cooperation depending on their priorities and local agendas". It should be emphasised that in a democratic system that respects the principles of the European Charter of Local Self-Government, this cooperation cannot be obligatory because "democratic legitimacy, accountability and decision-making power rest with the participating entities (municipal councils) and not the JMOs themselves which serve as agent implementing organisations"[20] and therefore this is not a sustainable model for resolving the challenges experienced in Slovakia's local government system.

[19] Klimovský D., (2010), p. 246

[20] „Peer review on territorial consolidation in Slovakia", CoE, CEGG/PAD/2021/3; p. 19

Case study: Inter-municipal cooperation in Slovenia

Slovenia has a very extensive network of municipalities, although the Slovenian municipality has an average population of 9,500. The original plan to have the smallest Slovenian municipality with more than 5,000 inhabitants failed. Dispersed local interests and the dispersed organisation of local public services encouraged the legislature to regulate several forms of inter-municipal cooperation. This measure largely compensates for the difference in the size of municipalities and allows residents to have approximately equally accessible public services, regardless of the municipality in which they reside.

The legal basis for inter-municipal cooperation is defined in Article 10 of the European Charter of Local Self-Government. Details are regulated in the Local Self-Government Act (1994). The motives for the normative regulation of inter-municipal cooperation of Slovenian municipalities are the same as for municipalities in other European countries: rationalisation, effectiveness, and efficiency. Given the fact that small municipalities have a small number of employees and lack skills and knowledge, the Local Self-Government Act provides for several forms or formal possibilities for inter-municipal cooperation:

- Municipalities may decide to establish one or more bodies of common municipal administration.
- Municipalities may be co-founders of public kinder gardens, elementary schools, libraries, etc.
- They decide on a common organisation of waste treatment, water supply, etc.
- For the implementation of decisions adopted by municipalities in relation to ensuring the public services, the municipal councils set up a founders' council and/or a concession grantors' council consisting of mayors.
- For the purpose of jointly regulating and performing individual administrative tasks and implementing joint development and investment programmes, two or more municipalities may establish by an act on establishment a single-purpose or multi-purpose federation of municipalities, which shall be a public law entity.

Original vs. transferred competences

An additional element that requires reflection in relation to the actual scope of decentralisation of public authorities in Slovakia is the separation of a certain part of competences as tasks delegated to local governments (transferred competencies). And here it is necessary, above all, to recall an important rule contained in Article 4.3 of the European Charter of Local Self-Government: "Public responsibilities shall generally be exercised, in preference, by those authorities which are closest to the citizen". In practice, most of the competencies that local governments enjoy are so called "original competencies" and only some of them are delegated tasks ("transferred competencies"). The latter include services in the field of registry offices, construction, public order, schools, environmental protection.

When analysing the division of tasks between the state institutions and local government units, it is worth paying attention to the existing practices: in the field of education, municipalities are responsible for kindergartens and primary schools, while regions are responsible for secondary schools. In the field of health care, municipalities are responsible for first aid points and basic health centres, while regions are responsible for first-level hospitals and the state for state-owned hospitals. A similar redistribution of tasks applies to social services.

Of course, one can argue for assigning some delegated competences to the area of own tasks, but the differentiation between own and commissioned tasks is not a practice that is unique in European countries.

However, there are at least two issues that are worth noting here. The first of them was noticed by The Congress of Local and Regional Authorities - in the 2016 report it was emphasised that "the Slovak system lacks a *residual powers clause or a clause générale de competence* (as French Law depicts it) in favour of local authorities, which is common in other European countries. The rule is precisely the reverse, since it is provided that if a certain competence or responsibility is not expressly allocated to the municipal level of government, the power is understood to be allocated to the state administration. Furthermore, municipalities and regions can only take action or adopt measures when the law clearly stipulates that they have the authority to do so. In summary, it can be said that the local decentralisation in the Slovak Republic, at least from the viewpoint of the scope of self-government, means that municipalities do enjoy an administrative, limited autonomy in explicitly legally designated areas of intervention.

Secondly, no division of competences between the various levels of public administration (including local government administration), in the form in which they currently operate in Slovakia, can counteract problems resulting from the lack of potential of the smallest units to provide some public services. The delegation of state competences to the level of municipal units refers to their entire universe - that is, both to larger units, having appropriate resources, and to the smallest units, which do not have such resources. The problem of disproportion of potentials is particularly visible and noticeable here. As a result, the availability of resources, both administrative and material, often determines the very fact of carrying out certain tasks. Original competencies are of course prescribed by law, but the controllability of their implementation is limited. The lack of control is a systemic limitation (more on that later). Of course, municipalities are subject to the obligation to perform public tasks (both their own and commissioned ones), but the state authorities do not always have the resources to verify their implementation. As it was stated during the discussions of the peer review: *"we cannot force local governments to provide services"*. As a result, due to the lack of resources, municipalities may simply fail to implement some of their own tasks - this issue remains within the discretionary decision of the mayor and possibly depends on social reactions. In the event of failure to perform the transferred competencies, appropriate intervention may be undertaken by district offices.

Financing of Public Tasks

The revenues of local government units are twofold in nature. On the one hand, municipalities have their own income, which consists of their share (70%) of personal income tax, revenues from property tax and other local taxes (lottery tax, the local tax on dogs, the tax on vending machines), as well as receipts from various types of charges and fees. In addition, the own income of local government units includes revenues from various types of business ventures, property income, income from donations received, income from road fines and others. Thus, at least from a legal point of view, the range of sources of own income of local self-governments in Slovakia is considerable. Unfortunately, the situation is different when we look at specific financial data indicating a significant dependence of the financial situation of municipalities on transfers received from the central budget. "74.3% of the total revenues of Slovak municipalities come from grants and other subsidies. This represents one of the highest percentages in the EU which on average scores only 43.3%. Own sources of revenues are relatively weak. Local taxation is at 7.4% (a sharp contrast with the EU average of 42%), local fees and tariffs 16.7%, income from property 1% and social contributions 0.6%"[21].

[21] „Peer review on territorial consolidation in Slovakia", CoE, CEGG/PAD/2021/3; p. 15

On the other hand, the state pays for the performance of commissioned tasks - that is, funds are transferred to local government units to cover the costs of carrying out these tasks. In this case local governments receive financial transfers that have a strictly defined purpose - they are earmarked, which means that their use is only possible to cover the costs of implementing specific public services. These are transfers related to delegated competences - they come directly from ministries according to their jurisdiction. According to the opinions expressed by self-government unions, these subsidies are usually not sufficient, and municipalities must subsidise the implementation of delegated tasks from their own funds. The results of the 2020 Training Needs Analysis survey led to similar conclusions: as many as 61.6% of the respondents in the survey indicated that one of the most important problems in the management of their municipalities is "insufficient financing of transferred competencies." The situation is particularly problematic in smaller units, which do not have adequate funds to subsidise transferred competencies.

It should be noted that the local finance system is uniform throughout the country and applies equally to all local governments. As a rule, there are no differences in the financing of the smallest and largest units - there are no differences in the financing of cities and rural municipalities. The only differentiating factor is the redistribution of funds related to the functioning equalisation mechanism, through the formula which takes into account factors as the size of the population, the number of students in schools, the number of elderly residents and altitude of a location. According to experts, „such a selection of equalisation indicators is insufficient to guarantee effective horizontal and vertical redistribution (redistribution for a different revenue capacity and for different expenditure needs). Under current conditions, small municipalities allegedly receive a minimum amount of money for the functioning of their administrative apparatus (some of them spend up to 90% of revenues to cover fixed administrative costs)[22].

Opinions on the financial situation of local governments in Slovakia are divided, and there are no reliable studies taking into account the costs of implementing public tasks. Both in the opinion of the Ministry of Finance and other representatives of the central government, the system of financing local governments is adequate to the country's situation, and local governments enjoy a significant degree of financial autonomy. The opposite view is held by representatives of local government unions, who stress that local budgets are excessively dependent on transfer funds and that the implementation of commissioned tasks is not adequately financed by the government.

It is obvious that the financing of commissioned services should cover the costs of their implementation by local governments. The problem, however, is that the transferred amount is not calculated on the basis of any reliable financial analysis. And since there are no standards for the provision of public services, it is impossible to reliably define the conditions affecting the amount of expenditure. In view of the enormous differentiation of the conditions for the operation of self-government units in Slovakia, this raises significant problems. As a consequence, we are dealing with a different level (quality, scope) of local implementation of these tasks, and therefore with a different level of costs. The differentiating factors include, first of all, the size of the commune and its location. As one peer review participant noted, *"we probably are not paying enough"*. Interviews conducted with mayors as part of the Training Needs Analysis also demonstrated the lack of funds for the proper functioning of the municipality.[23]

An additional problem is the adoption by the central government of regulations that have a direct impact on local finances. Each change in the field of income taxes or changes in regulations relating to other sources of local government financing has a direct impact on the size of resources at the disposal of local governments. Similarly, changes in the scope of tasks performed by local authorities are not always introduced while maintaining the appropriate relationship between costs and revenues - as emphasised

[22] Klimovský D., J. Nemec (2021) „Local Self-Government in Slovakia"; p. 372

[23] "Training Needs Analysis of local government in Slovakia", CoE (2020), p. 25

during the peer review discussions, increasing the scope of competences is often accompanied by a disproportionate increase in administrative and financial burdens.

A separate but noteworthy issue is the nature of the costs borne by local government units. The significant fragmentation of the country's territorial division structure and the associated large number of small local government units have an enormous impact on the state of local government finances. Mayors receive a minimum salary in the amount defined by law. This is the minimum salary, which councillors can increase by a value of up to 60% of the basic rate. As a rule, councillors do not receive a fixed remuneration, although in larger local government units they receive a compensation for attending the regular meetings of the council. It is worth emphasising that there are local governments in which ¾ of the budget consists of the salaries of the mayor and councillors. As P. Swianiewicz noted: "the first observation from that analysis is the increasing role of spending on administration in small local government units. In villages below 1,000 inhabitants, their share exceeds 30%, and in the smallest village even 50% of the total spending. The analysis of spending in different sectors suggests that: in larger cities the spending structure is more diversified than that in small local governments, suggesting that they provide a wider scope of services; in small local governments (below 1,000 inhabitants) there is often no spending for schools, and in the smallest (below 200 inhabitants) even spending for pre-school education disappears"[24].

* * *

To sum up - according to the peer review team members, Slovakia is dealing with a partially unfinished transformation. Indeed, the basic units of local self-government theoretically are responsible for a significant range of public tasks, but many of them do not have the appropriate material and personal resources for their proper implementation nor are they constituted at an appropriate scale to discharge those tasks effectively. Indeed, there are forms of inter-municipal cooperation that could improve the implementation of tasks by municipalities, but in reality, they are unstable as they disappear as often as they appear, not effective enough, and participation in them is not widespread and systematic enough to significantly contribute to increasing the population's access to these services and improving their quality.

And finally, indeed, the implementation of the overwhelming majority of public services is an area of local self-governments' own tasks, which were additionally entrusted with some of the state's tasks ("transferred competencies"). This could indicate a significant decentralisation of state power. The problem, however, is the potential of local governments to provide these services. Some units, especially those that are territorially small and have a small population (and it must be remembered that this is a group of ⅔ of all local government units in the country) do not have sufficient material and human resources to perform the tasks entrusted to them. No wonder that in some circles there is a growing belief, quite dangerous for the health of local democracy, that some services could be better provided by central institutions.

An additional problem is the financing structure of local government units. Despite the significant range of sources of own income defined in the law, local governments remain heavily dependent on transfers from the central budget. This severely limits their local autonomy and creates additional doubts about the extent of real decentralisation of public authorities in Slovakia. Indeed, existing data indicate that "Slovak municipalities spend approximately 7% of GDP (at the central level approximately 30% of GDP). Despite a strong decentralisation process in 2002, Slovakia remains a centralised country from the perspective of local government spending"[25]. In addition, the fragmented structure of the country's territorial organisation and the associated number of existing local government units place an additional burden on local finances, a significant portion of which goes to cover the costs of running the administration.

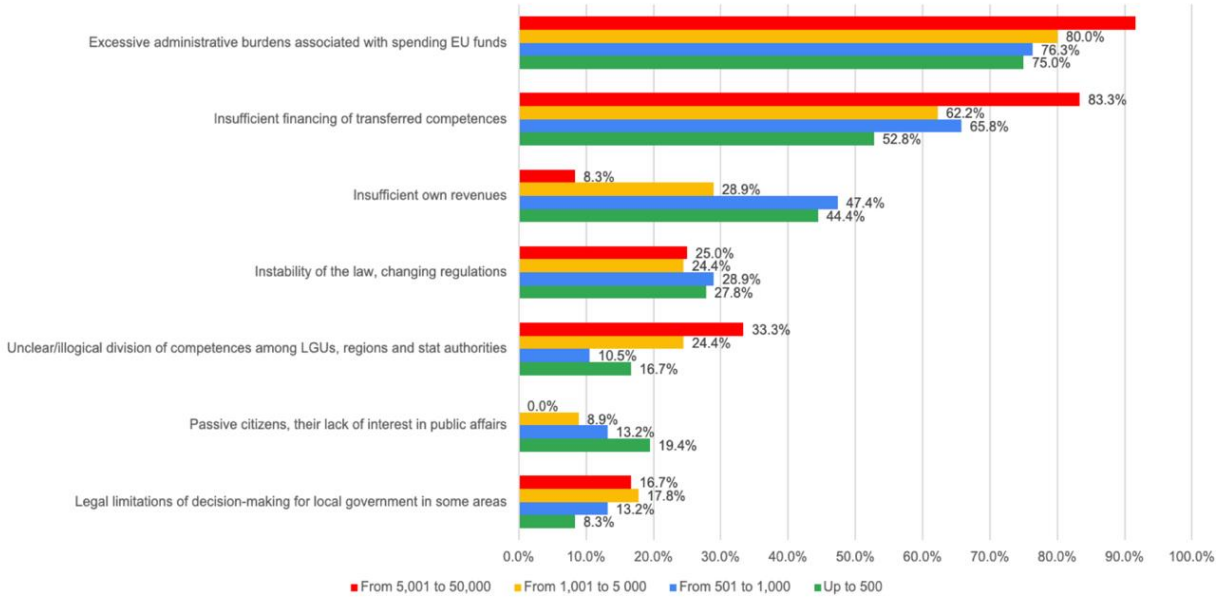
[24] „Strategy to strengthen local governance in Slovakia", P. Swianiewicz, CoE (2021) p. 14

[25] Klimovsky D., J. Nemec (2021),„Local Self-Government in Slovakia"; p. 369

Deficits in the implementation and monitoring of public services

In the opinion of the representatives of local authorities, there are two main sources of difficulties in managing local affairs: financial deficits and the volatility and low quality of legislation. Inadequate - insufficient financing of delegated tasks (transferred competencies) is a particularly significant problem in the largest local governments, while insufficient own revenues are one of the main problems of the smallest local governments. In addition, there is the problem of unpredictability of the financial situation, clearly identified in the Training Needs Analysis research, resulting from, *inter alia*, decisions taken at the central level - a situation often observed in systems where local governments' own revenues are related to participation in income taxes, the rates of which are set by the national government. An example of a Slovak government decision with a direct impact on local government revenues is the anti-inflation or pro-family package, which was introduced without consultations with local governments.

The most problematic areas by size of LGU (six most problematic areas)



Source: Survey, 2020 – Note: Respondentswere asked to select up to 3 choices
Figure: Training Needs Assessment of Local Government in Slovakia, 2020

A detailed analysis of the causes of problems identified by representatives of local government units was presented in the previously mentioned report on Training Needs Analysis[26]. Here it is only worth mentioning that most of the respondents in the interviews and focus groups noted that financial transfers from the state for transferred competences are not sufficient for providing the required quality of services, so municipalities subsidise the costs related to many of those services from their own budget.

Additional light is shed on the problems associated with the implementation of public tasks by local authorities by the results of audits carried out by the Supreme Audit Office (SAO). They often point to very serious deficits:

- delegated competences are not sufficiently or not at all funded by the State

[26] "Training Needs Analysis of local government in Slovakia", CoE (2020)

- improper use or abuse of the institution of special considerations, which often dominates the sale of municipal property
- lack of significant sanctions in case of breach of financial discipline in the municipality (the state authorities do not have the possibility to impose a penalty)
- the internal control system (especially in small municipalities) fails or is missing
- the small municipalities have the same responsibilities and competences as the large municipalities and cities, but lack professional and specialised staff
- the municipality's administration is not affected by the creation of liabilities arising from court decisions.

In addition, the SAO points to frequent cases of problematic use of resources, non-transparent procurement processes, or non-compliance with the law, largely occurring in small municipalities.

When analysing the sources of the problems faced by local governments, it is worth paying attention to the context in which they occur. And in this perspective, it is impossible to ignore, as mentioned earlier, the lack of reliable analysis of the real costs of providing public services, related to the lack of developed standards for their provision and the lack of sufficient (and often any) control over their quality. Public authorities have at their disposal a very limited range of data depicting the changes occurring in local communities under the influence of services financed from public funds. There is no system of monitoring public services that would allow for the analysis of the impact of activities carried out by local governments on the quality of life in local communities.

Case study: Public services monitoring system - Poland

SMUP is an extensive database of public services provided by municipalities (gminas) and counties (poviats). The system (available at https://smup.gov.pl) enables the monitoring of the operation of local government units in nine areas, including, among others, education, environmental protection, real estate management, and local social policy. SMUP allows for a holistic view of local government units, which may allow for making proper strategic management decisions.

All data for calculating indicators come from official sources, which are provided by the territorial self-government units themselves, supplementing statistical reports and databases under the responsibility of ministries and central offices.

SMUP is used to monitor services, i.e., local government activities for the benefit of the local community. Each service is described in detail so that the system user knows exactly what is being studied and monitored in four dimensions: quantity, quality, accessibility, and effectiveness.

The system presents indicators prepared on the basis of uniform and extremely precise algorithms. These are not raw data provided by official statistics. Thanks to this, the system is an excellent tool for tracking changes in the way services are provided and for comparing local governments with each other. The latter activity is supported by automatic mechanisms of comparative groups and showing the values of indicators against the background of neighbours.

The system has two interfaces: a basic one for quick analysis of data about a selected municipality or district, and an advanced one for those wishing to make more complex statements and comparisons on their own. The former interface emphasises intuitiveness and, importantly, readiness to run on mobile devices, while the latter is a powerful analytical tool that allows the creation of tables, charts, and also maps.

SMUP is being developed through the partnership of the Ministry of Interior and Administration, the Central Statistical Office, the Association of Polish Cities, and the Association of Polish Counties. Such a broad partnership ensures access to different perspectives when looking at the data, which consequently translates into high quality and usefulness of the indicators.

The lack of a comprehensive system for monitoring the implementation of public services largely prevents effective control of their implementation by municipalities. It is true that the principles of supervision over the activities of local government units have been quite precisely defined in the legislation, but, as in other spheres, limited resources do not allow for their effective enforcement.

The system of supervision over the activities of local administration has three basic dimensions relating to:

- the control of the legality of decisions made by the General Prosecutor's Office (Prosecutor's Office), acting on the basis of requests addressed to it or on its own initiative. The Prosecutor's Office performs ex-post control and may suspend or cancel the execution of a decision taken by the local authority. The Prosecutor's Office may also bring public prosecutions in the event of a violation of the law. It should be emphasised that the powers of the Prosecutor's Office are limited, and it cannot order local authorities to take actions that would go beyond the requirement that the operations carried out comply with the applicable legal order.

- the control exercised by the Supreme Audit Office over the management of public funds and the actions taken by local authorities with regard to:

  - ✓ the legality, economy, effectiveness, and efficiency of municipalities and cities
  - ✓ compliance with generally binding legal regulations - municipal and city ordinances
  - ✓ implementation of local budgets
  - ✓ use of funds provided by the European Union, etc.
  - ✓ compliance with the rules on free access to information and public participation
  - ✓ effectiveness of internal control mechanism

  The SAO performs its supervisory function mainly through the implementation of audits in local government units. It performs its activities through seven regional offices. Each year, audit plans are prepared which identify the local government units to be audited. These are selected primarily according to logistical criteria in order to make the audit activities more efficient, or thematic criteria, when a specific audit issue is identified. The plan also identifies units that, on the basis of various pieces of information, should be audited in a given year. This is obviously not a representative sample approach.

  In the event that a violation of the law is found, SAO directs cases to the Public Prosecutor's Office, but other irregularities found in the activities of municipalities can only be shown in post-inspection reports - SAO has no authority to force the municipalities to change their methods of operation. Audit conclusions are also published and forwarded to the Parliament. Of course, the relevant regulations exist and the Ministry of the Interior, in the event of irregularities in financial management, may appoint an administrator.

- the internal control to which all local government units are obliged. By law, they should implement an effective internal audit system in their local structures and select (this is the competence of local councils) a Principal Controller.

In addition, in the case of delegated tasks (transferred competencies), the basic principle is that citizens may appeal against the decision issued by the local government to district offices. This is the case for decisions concerning construction, urban planning procedures, roads, and transport. This form of supervision results from the fact that in the case of delegated tasks, municipalities carry out administrative

functions of the state and do so with the financial resources that the state allocates to local units. It should be emphasised, however, that supervision by district offices concerns a separate and limited part of the public tasks performed by municipalities.

This seemingly complex structure of control functions turns out to be ineffective in day-to-day operations, as indicated by the findings of peer review. The limited resources do not allow for effective monitoring of the activity of almost 3,000 local government units. Supreme Audit Office may audit a maximum of approx. 100 - 150 local governments per year. Limited staff resources, both on the side of the Ministry of Finance and the Supreme Audit Office, prevent systematic work with local government units. As a result, the accountability of local governments is very limited. Horizontal and vertical trust is very low. There is no way to effectively verify the delivery of public services by all local government units in the country.

Case study: Control over the operations of local governments – United Kingdom

(*Local Government Act 1999*: https://www.legislation.gov.uk/ukpga/1999/27/contents)

In the UK, the Local Government Act 1999 gives the Secretary of State the legal power to inspect and intervene in the running of a local authority in England where necessary. However, to ensure that this is used in an appropriate and proportionate manner, this power is limited to certain, exceptional, circumstances where local authorities are found to be failing in their duty of 'best value'.

The 1999 Act defines that a best value authority should deliver a balanced budget, provide statutory services (including adult social care and children's services) and secure value for money in spending decisions. If there is deemed to be sufficient concern about a local authority's ability to comply with its duty of best value, an inspector will be appointed to report on the way the authority is being run.

Following this, and where the Secretary of State is satisfied there is sufficient evidence that the local authority is not providing best value, they (or a commissioner appointed on their behalf) have the power to take over specific functions, or in very extreme circumstances, the entire running of a local authority. This power is treated as a last resort, and to date there have only been seven interventions which have taken place under this Act.

Once the Secretary of State has declared an intervention is necessary, the commissioner and local authority will meet to agree the functions which are being taken over, and the direction the intervention will take to ensure sufficient progress is made. As part of this, a fixed time limit will be agreed, after which either the intervention will be extended (if deemed necessary) or the functions will be given back to the local authority. In this way the Secretary of State only intervenes where necessary, for as long as necessary, ensuring proportionate control is exercised over the functions of local government, while ensuring the standard of public services that people deserve and need.

In the face of the abovementioned limitations, the activity of local government units should be primarily controlled by internal auditors. However, as shown by the data collected by the Supreme Audit Office, irregularities in the scope of internal control activities concern as much as 67% of local government units. In 36% of units, local auditors have too little contracted time to be able to exercise such control at all (sometimes it is only 1 hour a week). In 24% of local governments, auditors, even when fully employed, are not able to implement an effective control system due to the scope of tasks performed by local administration. To complete the picture, it should also be noted that 7% of local government units did not choose an internal auditor at all, despite the fact that they are legally obliged to do so.

The monitoring role of councillors is limited. It is true that they can report to prosecutors or provide information to the Supreme Audit Office, but this in no way increases the resources of these institutions. In addition, it should be noted that councillors are members of local communities, which means that they are not always prepared to notify external institutions of observed irregularities.

In Slovakia, there are regulations on access to public information, which theoretically strengthen the transparency of the functioning of public administration. Various types of documents must be published, but the law does not specify the rules regarding such publication, which in practice means a significant limitation of the possibility to effectively reach certain information. As a result, situations in which access to various information is hindered (withheld or complicated) are common.

Case study: Transparency of public administration activities and public access to official documents – The Kingdom of Sweden

The principle of transparency is founded on the belief that matters of public administration concern all citizens. It is therefore of outmost importance that the public administration is transparent and subject to scrutiny of the public and mass media.[27] The principle is, among others, regulated in *Regeringsformen* (Instrument of Government), which is one of four fundamental laws[28] that make up the Swedish constitution. The principle of transparency entails several principles. Of significant importance are the principles of public access to meetings, public access to official documents and the freedom of expression and information.

The principle of public access to meetings in decision-making assemblies implies public access to, the parliament, the municipalities, the regions and the courts. The principle of transparency also encompasses the principle of public access to official documents which is regulated in *Tryckfrihetsförordningen* (The freedom of the press act).

The principle of transparency is also expressed in the principles of freedom of expression and information in Regeringsformen. Freedom of expression also applies to public officials. Officials has the right to provide information to the public or the press in matters that he or she has become aware of in the ambit of his duties.

The right to access official documents means that every citizen has the right to access official documents from public authorities, provided that the information is not subject to confidentiality. Further it implies that a public authority may not investigate the identity of the person requesting the document nor the purpose of the request. The same applies to the principle of public access to meetings which prohibits the public authority/court to investigate who the attending person is. The applicant can access the document in the public authority's premises but he or she is also entitled to get a transcript or copy by paying a (small) fee. A decision not to disclose an official document can be appealed.

As a result, many experts emphasise that it is not always the case that what is happening in a commune depends on the will of the inhabitants. The strong position of the mayor and the lack of publicly available information on the activities of local government authorities hinder the effective participation of citizens in shaping public policies. Despite the existing regulations only in some local governments, as stated during the peer review discussions - in "enlightened municipalities", residents are involved in a more systematic way. In light of the identified deficits in the oversight of local government activities, public involvement and control are needed, although the necessary social awareness and skills are currently lacking. Educational measures strengthening civic competences for local involvement and monitoring would need to be undertaken.

[27] A. Bohlin, (2015), "Offentlighetsprincipen", p. 1

[28] The Swedish fundamental laws are Regeringsformen, Successionsordningen, Tryckfrihetsförordningen and Yttrandefrihetsgrundlagen

* * *

In summary - according to the members of the peer review team, the key challenges to the delivery of public services faced by local governments in Slovakia include insufficient own revenues (especially of smaller local government units), inadequate funding of delegated tasks, lack of standards for the implementation of public services and inadequate mechanisms for supervision and control of local government activities.

These problems directly translate into a reduction in the quality of public services provided to citizens or deficiencies in their implementation. Additionally, in smaller local government units there is a lack of potential to generate development impulses - the costs of providing services are higher there and administrative and material resources remain insufficient. This results in a large diversification of living standards in specific parts of the country, which is conditioned by the existing territorial division structure in particular regions.

Reforms proposals - towards more efficient and better delivery of public services

Several threads dominate the discussions on reforms of the public administration system in Slovakia. Each of them presents a different way to achieve, in fact, the same goals: increasing the efficiency of the use of public funds and improving the quality of the services performed by local governments. They relate to:

- a reform of the structure of the territorial division, which would lead to a reduction in the number of local government units,
- strengthening the structures of inter-municipal cooperation, while maintaining the existing territorial structure,
- diversification of the competences of local authorities with various potentials (determined primarily by their size)
- reorganisation of the structure of the local government - introduction of a second tier in local government administration, intermediate between municipalities and regions, while maintaining the existing structure of basic municipal units.

Changing the structure of the territorial division - amalgamation of municipalities

The topic of merging municipalities has recurred in public debates in Slovakia on many occasions. The excessive fragmentation of local government units, resulting in ineffective use of public funds and limitation of the country's development opportunities, was highlighted in government documents, expert studies and in international reports. There seems to be a fairly widespread consensus on this topic in expert circles, which can be summarised in a sentence from a monitoring report prepared by the Congress for Local and Regional Authorities of the Council of Europe: „there are too many local authorities, and they are too small. This feature has a negative impact on the operations and working of these bodies"[29].

Unfortunately, such consistency is lacking in political circles. Firstly, it is worth recalling that around 10% of the Members of the Parliament simultaneously hold the office of mayor in their municipalities. This is not a group that is particularly interested in the possible abolition of positions held in local administration. Secondly, local government associations representing mayors - especially those uniting smaller municipalities - are opposed to the idea of merging municipalities. Thirdly, the territorial reform plans are associated with a high degree of uncertainty as to their outcome - thus there seems to be a lack of sufficient political will among political forces to deal with the topic effectively. Instead, various ideas for alternative solutions are raised in the public debate, which, however, generally do not lead to an effective solution to the problem.

Finally, social attachment to existing municipalities is very high, and the place of residence is the basis for the formation of social identity for many Slovaks. As P. Swianiewicz notes: "there are no separate words for village and for local government unit. In Slovak, both meanings are described by the same word - "obec". As a result, if it is said that the plan includes "merging local government unit with another one" it sounds almost like an apocalyptic vision of the annihilation of the village"[30]. Added to this are historical

[29] „Local and regional democracy in the Slovak Republic", (2016), CLRAE, CoE, p. 9

[30] „Strategy to strengthen local governance in Slovakia", P. Swianiewicz, CoE (2021) p. 17

experiences - ”the support for the central community in an amalgamated municipality and the shutdown of any development in the peripheral communities, during state socialism, caused voluntary amalgamation to be unacceptable”[31].

It is also worth noting that merging municipalities would involve changes in the structure of the delivery and location of many public services. This is, after all, what this amalgamation would serve - to achieve greater efficiency in the delivery of services by eliminating their duplication in too small territories. This would simply mean closing down some institutions. Any such change would undoubtedly provoke public protests, although the liquidation of schools (the running of which is the most important task transferred to municipalities) would probably be the biggest one as schools are an important element of building local identity - it is used to say: "no school, no village".

All of the above-mentioned considerations (although this is probably not an exhaustive list) make the postulates concerning changes in the territorial structure (i.e., the merger of municipalities) currently difficult to push through. Although this would be the most rational solution, it seems to be the least feasible today, unfortunately. In the present conditions, it is necessary to look for other solutions that do not interfere with local identity and social values.

Strengthening inter-municipal cooperation

In this area, there is quite a variety of demands. On the one hand, there are appeals to strengthen the existing mechanisms for the functioning of the Joint Municipal Offices (JMO). An often-cited argument is that this form of cooperation between municipalities has a tradition, municipalities are used to it and the easiest way would be to introduce changes that would strengthen the functioning of existing JMO. They could refer to the delegation of a specific set of tasks (e.g., related to transferred competencies) to be managed by inter-municipal structures, or the legislative strengthening of decision-making and administrative control of JMO over the services provided. Some postulates also concern the introduction of some kind of substantial incentives for municipalities to actively and permanently participate in JMO structures.

Another idea proposed by the Union of Cities and Municipalities (UMS) is the creation of a new structure - the so-called Centres of Shared Competencies (CSC). With this idea, the scope of competencies assigned to a local authority should be related to its size - a larger urban centre would be responsible for the joint provision of a specific part of services on its own territory and the territories of other municipalities that would be within the CSC's reach. However, it is not clear whether membership of such a new structure would be mandatory or whether this would be left to the discretion of individual mayors. The centres would form a unified structure with a legal personality, whose main task would be the efficient delivery of public services that smaller units cannot cope with.

In the CSC model, financial resources allocated to the provision of services should be linked to this structure. Centres should have their own budget by means of which they should manage the tasks entrusted to them. Such financial autonomy should strengthen and systematise the cooperation of municipalities. This means, however, that the establishment of the centre will involve the transfer of some funds by municipalities to the budget of the newly created unit (or some new mechanism for financing the centres would be created).

[31] Klimovský D., (2010), p. 246

In the opinion of the peer review team members, the proposed CSC model raises a number of questions. Firstly, if it was to be a cooperation based on voluntary basis, the question arises about the differences between the Centres and the JMO? From the proposals put forward, it appears that the location of the decision-making centre would change - instead of a structure independent of all municipal units that form it (as we are dealing with in the case of JMO), an administration would be created, managed by the largest local government unit that creates it. This, of course, on the one hand, raises doubts about the democratic legitimacy of such a solution, and, on the other hand, does not solve the issue of the possible unwillingness of some local authorities to participate in the newly established structures (which we can already observe in the case of the existing solutions).

Secondly, whatever label one sticks to the proposed change, it actually leads to the creation of a separate group of municipalities, with a different status (tasks, competences, resources) in relation to the other local governments. These units will manage (the CSC is to be headed by the mayor of the largest unit) the public services provided in all the municipalities covered by the CSC. In other words, Slovakia would *de facto* be dealing with a local government reform introducing diversification of local government units. As a result, basic units would be deprived of part of their competences, which would be transferred to larger centres - a new group of local authorities would be created and assigned a larger set of tasks. There would be a situation where the electorate has voted for a candidate who holds a democratic mandate to carry out certain functions, and yet the responsibility for those functions would be discharged by another mayor, elected by another electorate. There are no proposed mechanisms for accountability between these mayors, and any such mechanism would simply cut across each mayor's democratic mandate. It would create democratic confusion, and this is a sure route to poor service outcomes.

In the opinion of the peer review team members, in essence (and its consequences) such a solution (creation of the CSC) should be discouraged. Instead, it is worth rethinking the concept in the direction of simply introducing a second, intermediate (between municipalities and regions) tier of local government administration, which would be devoid of the drawbacks associated with the lack of a democratic mandate to manage selected share of public affairs, which Slovakia would undoubtedly have to deal with in the case of CSCs (more on that later).

It is also worth noting that the idea of establishing the CSCs is, in the intention of its promoters, associated with an evolutionary approach to the reform of the local government system - the Centres would be a transition stage between the currently existing solutions and a territorial reform resulting in a reduction in the number of local government units. This only confirms that behind the proposal to create the Centres is, in fact, a hidden idea of self-government reform.

Diversification of the competences of local authorities

As mentioned earlier, the delivery of public services is strongly influenced by the size and location of the local authority. While in larger units the activities of local governments may run fairly smoothly (although the problems outlined above are, of course, noticeable), in smaller local authorities (84% of the country's municipalities have less than 2,000 inhabitants) various activities are often severely restricted due to lack of resources. As P. Swianiewicz notes: „mayors of small villages feel comfortable with a narrow set of functions only. The most often mentioned functions which should be kept on the lowest possible level (of every village, even if it is very small) include: civil ceremonies (such as marriages), maintenance of green areas and cemeteries, taking care of public order (e.g., parking tickets) and organising local cultural events. According to several consulted local politicians, additional functions are difficult to carry out and are more of a burden than a privilege for small villages"[32].

[32] „Strategy to strengthen local governance in Slovakia", P. Swianiewicz, CoE (2021) p. 16

Therefore, the key dilemma in the face of the identified problems in the functioning of local government units is the issue of the possible diversification of the tasks and competences entrusted to them. If the resources at the disposal of small local governments are insufficient (and these self-governments are in majority), if we observe differentiation in the ability to effectively implement public services (determined primarily by the size of the unit), maybe the status of local government units should also be differentiated and thus the scope of their competences should be diversified?

It should be stressed here, that diversification of functions will not make some of these functions disappear. Public services will still have to be provided, just not all of them in all local government units. This means that diversification will result in the creation of units of different types, with different scopes of tasks, and with different resources. Such an idea raises a number of doubts.

Firstly, its implementation does not involve a change in the territorial structure. This means that units with different competences will still occupy their territories, but units with a larger scope of competences will be obliged to provide public services also in the territories not of their own. The doubts related to the introduction of such a solution were aptly summarised by P. Swianiewicz in *"Strategy to strengthen local governance in Slovakia"*: „local democratic accountability in service delivery in such a system would be doubtful. Residents of small villages and towns would be served by local governments nearby, but they would have no impact on policies nor democratic control over the provision of the services. They would not elect representatives (mayors, councillors) in the near town, so they would have no democratic influence on the way crucial services are managed. Indirectly, such a situation would be against the Council of Europe standards defined in the Recommendation of the Committee of Ministers to member states on the participation of citizens in local public life (CM/Rec(2018)/4, 21 March 2018). There would also be no direct link between local taxes paid by dwellers of small villages and the delivery of many services. The town would finance those services either from its own resources (under the assumption that its local tax base is rich enough) or would get support directly from the central government budget. Both options also undermine the rules of a healthy local democracy." In this regard, a Recommendation of the Committee of Ministers on democratic accountability of elected representatives and elected bodies at local and regional level has been adopted on 9 February 2022[33].

Secondly - the differentiation of the competences of municipal units introduces a dualism in the system of organisation of local government administration - it creates de facto two different local government systems within one country. Such dualism is not only associated with legislative chaos but may also create barriers to further possible reforms that are at the moment difficult to foresee. Without knowing the details of such a new organisation of the structure for carrying out public tasks, it is difficult to say today whether in the future it will be an obstacle to more desirable self-government reforms (e.g. possible mergers of communes).

Thirdly - without in-depth analyses, it is difficult to determine what the real effect of implementing this change would be on the efficiency of using public resources. In this sense, forcing the idea of differentiating the competences of local government units resembles the practices in the field of financing municipalities existing today - the lack of analysis of the actual costs of providing services makes it impossible to reliably assess the effectiveness of their implementation.

[33] Recommendation CM/Rec(2022)2 of the Committee of Ministers to member States on democratic accountability of elected representatives and elected bodies at local and regional level (https://search.coe.int/cm/pages/result_details.aspx?objectid=0900001680a57739)

Fourthly - diversification of the competences of local government units may be difficult due to significant differences in the territorial structure of individual regions of the country. This differentiation may lead to the creation of units with significantly different potential (e.g., due to a smaller number of strong centres in eastern Slovakia), which in turn may be a source of new problems.

In conclusion, in the unanimous opinion of the peer review team members, the postulate to diversify the status of local government units should be rejected. It potentially creates a significant number of problems with very uncertain results of its implementation.

Case study: Three types of municipalities according to delegated powers – the Czech Republic

Since 2003, there have been three types of municipalities in the Czech Republic, depending on how many delegated powers they carry out. The least amount of delegated authority is exercised by municipalities with the **basic scope** of delegated powers, more by municipalities with **authorised office** and the most by municipalities with **extended powers**. The latter type of municipalities with extended powers, of which there are 205, exercise the vast majority of the delegated powers in the Czech Republic.

Although the municipalities with extended powers have been formed based on geographic-functional analysis as real micro-regional centres (based on commuting to work/schools/offices), and their administrative districts are thus *de facto* natural (micro-regions), in the conditions of the Czech Republic they are still used solely for the purposes of delegated jurisdiction (powers).

Both powers/competencies (independent and delegated) are too strictly separated in the Czech Republic, **which has been assessed, by many, as a big mistake**. From the beginning, it was assumed that part of inter-municipal cooperation (included in independent competencies), that has micro-regional significance, would be also implemented in the administrative districts of the municipalities with extended powers. Unfortunately, it was never implemented. **Categorisation of municipalities in the Czech Republic practically does not contribute to reducing the consequences of excessive communal fragmentation, which still persists and, like in Slovakia, a solution is not in sight.**

On the contrary, due to the fact that it is much easier for the state to come to an agreement with 205 large municipalities with extended powers rather than with the 6,254 municipalities that exist in the Czech Republic, there has been a long-term massive overuse of the delegated jurisdiction in the Czech Republic, which led to de-concentration of the state administration rather than true decentralisation, which better corresponds to the democratic relationship between the state and territorial self-governing units.

Introduction of a second - intermediate level in the local government administration

The idea of introducing a second tier in local government administration, intermediate between the existing municipal units and regions, in fact refers to both the concept of introducing Centres of Shared Competencies and the diversification of the functions of local government units (presented above), while maintaining the requirements of democratic representation and local democratic accountability.

In view of the practical limitations on the feasibility of introducing a territorial structure reform in Slovakia involving a reduction in the number of municipalities and in view of the identified difficulties in the performance of tasks by smaller units (which account for 84% of the total number of local authorities in Slovakia), an option worth considering is the establishment of higher-level units in relation to basic-level municipalities to which a specific set of competences would be assigned while significantly reducing the scope of tasks for which basic municipalities would be responsible.

Case study: Counties and cities with county rights in Poland

There are two types of "*poviats*" (second-level local government units) in Poland: in fact, there are land districts (land - *poviats*) and cities with *poviat* rights.

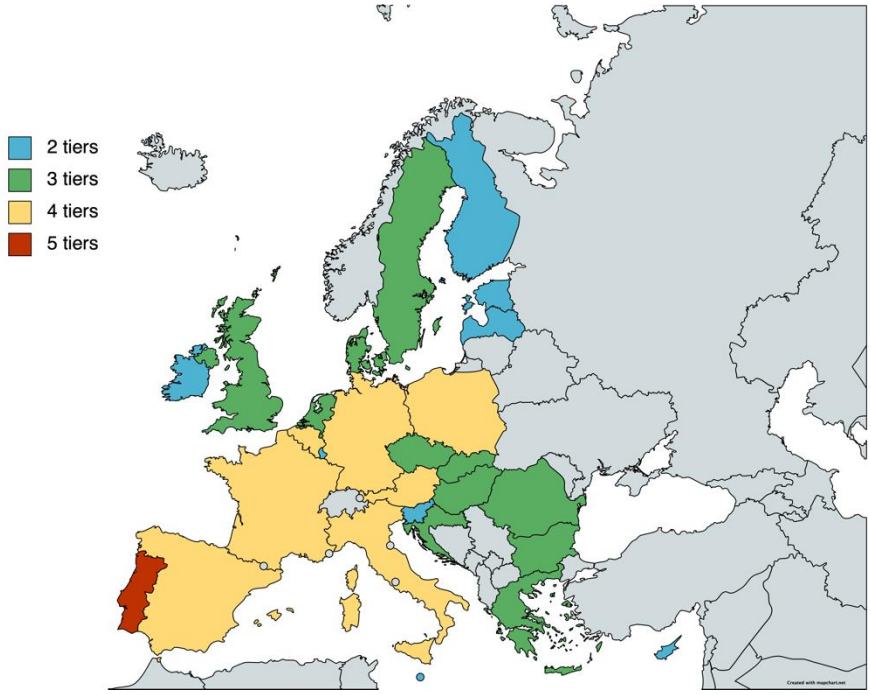
Land districts include several (or more than a dozen) municipalities. A group of districts, on the other hand, forms a province. Land districts have their own bodies in the form of a *poviat* council and a *poviat* board, as well as offices that constitute the *poviat* administration. Residents of such districts, wishing to handle official matters reserved for the district administration, direct their steps to the *poviat* office (while municipalities located at the territory of a given district maintain their offices independently).

A separate category of *poviats* are certain cities. These are municipalities (basic units of territorial division of the country) with the status of a city, which at the same time perform the tasks of the *poviat*. Such urban-districts (*poviats* with city rights) cover the area of larger cities. There are 66 urban districts in Poland today. Such districts do not have the organs provided by law for land districts - the *poviat* council and *poviat* management board do not function in them. This is because these functions are carried out by municipal bodies (the city council and the city president/mayor).

Among the tasks of cities with *poviat* rights in Poland is the implementation of public services in the area of: transportation and communication (including, among others: construction of municipal roads, bridges, repairs to their surface, reconstruction or construction of new squares, sidewalks, promenades, passages, bicycle roads, as well as the delineation of new parking lots, the creation of new bus connections, the purchase and maintenance of transport fleets, meeting the needs of residents in the organisation of traffic and securing public transportation); public education (including but not limited to: renovation, construction, maintenance of existing public schools); culture and cultural heritage (including but not limited to: running libraries and other cultural institutions and taking care of historical monuments); physical culture, tourism and recreation (including but not limited to: renovation, construction, reconstruction and maintenance of sports facilities, including recreational areas and sports facilities, modernisation and equipment of the teaching and recreational base); housing management (including but not limited to: construction and maintenance of municipal housing, social housing (e.g., social housing, dormitories); communal services (including, but not limited to: construction of water, rainwater, sanitary sewage systems, supply of water, electricity and heat and gas, removal and treatment of municipal sewage, maintenance of cleanliness and order and sanitary facilities, landfills and disposal of municipal waste); social assistance and health care (including, but not limited to: establishment and maintenance of social welfare centers, support for the disabled, promotion of health care; real estate management (including, but not limited to: maintenance of public facilities and equipment owned by the city, management of city and state property establishment of city boundaries, naming of streets, houses and squares, land management, establishment and maintenance of green areas); public safety and public order (including, but not limited to: public order and fire and flood protection, security of citizens).

An undeniable problem in the Polish local government system is the lack of formal relations between municipalities (*gminas*) and *poviats*. Occupying the same territory, a municipality and a district may or may not formally conduct a coherent policy. As a result, there are cases of lack of cooperation between *poviat* and municipal authorities, which undoubtedly leads to a lower level of provision of public services to citizens.

Structure of public administration in selected European countries



Source: "A comparative overview of public administration characteristics and performance in EU28"

The practical goal of the self-government reform thus outlined would be to improve the delivery of public services and make more efficient use of existing resources. Its basic assumptions were already presented earlier by P. Swianiewicz in the document "*Strategy to strengthen local governance in Slovakia*". Here, it is worth elaborating a little on some of the issues.

First and foremost, the introduction of a new tier of local administration would entail a significant reduction of the tasks assigned to basic municipalities - only those services which can easily be provided by very small municipalities should remain within their remit, while second-level units would take over, in accordance with the principle of subsidiarity, the carrying out of tasks requiring greater material and administrative resources and, for example, tasks within the scope of current transferred competencies. Of course, a reduction in the scope of municipal tasks would have to entail a reduction in funding for local government administration at the basic level. The question of reducing the number of councillors in municipal units and redefining the status of the mayor would also have to be considered (although the peer review team is by no means proposing the abolition of this position here).

The second-tier units (which can be tentatively called counties here) would cover a wider territory. Each such unit would consist of a certain number of municipalities that would retain their autonomy. The method of selecting county authorities remains to be considered: they could come from direct elections (elections held on the territory of the county, i.e., on the territory of all its constituent municipalities) or an alternative solution could be considered, in which the county council would be formed by the mayors of the municipalities forming the county (which would allow to avoid problems that, for example, are sometimes observed in Poland). Similarly, different scenarios for the election of the county board could be considered.

The peers want to emphasize that in the case of Slovakia the existing districts can be used as a "second tier" (second level of territorial self-governing units), if it turns out that they correspond to commuting links in the territory. The term "district" is a term that has been used for a relatively long time under the conditions of the Slovak Republic and formerly the Czechoslovak Republic.

The scope and manner of carrying out the local government reform consisting in the creation of a second, intermediate tier of local government administration goes beyond the scope of this peer review. However, it is worth emphasising that such a reform should of course be preceded by in-depth studies to create objectified criteria for the territorial division of the second tier and there should be legislative provisions for an independent voice in any process which determines such boundaries.

References

Jüptner P., Klimovský D., (2021), „Vertical and horizontal intergovernmental relations during the first wave of the COVID-19 crisis: experience from the extremely fragmented CEE countries", Local Government Studies

Klimovský D., (2008), „Politics and its impact on the reform processes: the case of public administration reform in Slovakia (1989–2006)", in: J. Musil, (ed.), „Space and historical time as dimensions of social change", MATFYZPRESS, Charles University in Prague

Klimovský, D., (2010), „Territorial Consolidation and Intercommunal Cooperation at the Local Level in the Slovak Republic"; in: P. Swianiewicz, (ed.), „Territorial Consolidation Reforms in Europe", Local Government and Public Service Reform Initiative, Open Society Institute–Budapest

Klimovský, D., (2014), „Inter-municipal cooperation in Slovakia: The Case of Regions with Highly Fragmented Municipal Structure"; Novo mesto: Faculty of Organization Studies.

Klimovský D., (2016), „Experience with Managerial and Political Reform Measures at the Local Level in Slovakia: Intended and Unintended Outcomes"; DOI: 10.4018/978-1-5225-0320-0.ch007

Klimovský D., J. Nemec, (2021), „Local Self-Government in Slovakia"; in: B. Brezovnik, I. Hoffman, J. Kostrubiec (eds.), „Local self-government in Europe"; „Lex-Localis" Institute for Local Self-Government Maribor

Ladner A., N. Keuffer, H. Baldersheim, N. Hlepas, P. Swianiewicz, K. Steyvers, C. Navarro, (2019), „Patterns of Local Autonomy in Europe"; Palgrave Macmillan

Nemec J., Mikušová Meričková B., Murray Svidronova M., Pisár P., (2017), „Public Administration Reforms in Slovakia"; in: Kovač P., Bileišis M., (eds.), „Public administration reforms in Eastern European Union member states. Post-accession convergence and divergence"

Sloboda M., Kollárik M., Poláková Suchalová A., Trutkowski C., (2020), „Training needs analysis of local government in Slovakia"; CoE, CEGG

Swianiewicz P., (2014), „An Empirical Typology of Local Government Systems in Eastern Europe"; Local Government Studies, Vol. 40, No. 2, 292–311

Swianiewicz P., (2021), „Strategy to strengthen local governance in Slovakia"; CoE, CEGG

Thijs N., Hammerschmid G., Palaric E., (2017), "A comparative overview of public administration characteristics and performance in EU28"; European Commission, Directorate-General for Employment, Social Affairs and Inclusion Directorate

Annex – Peer Review Programme

Funded by the European Union and the Council of Europe

EUROPEAN UNION

COUNCIL OF EUROPE

CONSEIL DE L'EUROPE

Implemented by the Council of Europe

Delivering Good Governance in Slovakia – II phase

Peer Review

on the strengthening of the

status of cities and municipalities in Slovakia

14 – 17 June 2022, Bratislava

Programme

Moderator: Cezary Trutkowski

Tuesday, 14th June 2022			
Time (CET)	**Topic**	**Participants**	**Remarks**
19:00	Formal welcome diner	CoE representatives CoE peers Ministry of Interior Local experts	Hotel Crowne Plaza restaurant
Wednesday, 15th June 2022			
Time (CET)	**Topic**	**Participants**	**Remarks**
09:00	Welcome speech and introduction	Ministry of Interior	Hotel Crowne Plaza meeting room
09:20	Welcome speech and introduction of international peers	Boris Lazov, CoE	Hotel Crowne Plaza meeting room
09:40	Recent policy and legislative development, dialogue with local self-government and questions	Ministry of Interior	Hotel Crowne Plaza meeting room
10:30	Coffee Break		

11:00	Presentation of different system of local government	Cezary TRUTKOWSKI (Poland) Petr SCHLESINGER (Czech Republic) Roman LAVTAR (Slovenia) Andreas HERMANSSON (Sweden) Laura CAPPETTI (Netherlands) Vitaly BEZGIN (Ukraine) Siobhan SMYTH (United Kingdom)	Hotel Crowne Plaza meeting room
12:30	Lunch Break		
14:00	Financing of local self-government, possible optimisation (territorial reform)	Financial Policy Institute, Ministry of Finance	Hotel Crowne Plaza meeting room
15:30	Coffee Break		
16:00	Main problems identified during audits performed at local self-government level	Supreme Audit Office of the Slovak Republic	Hotel Crowne Plaza meeting room
Thursday, 16th June 2022			
Time (CET)	**Topic**	**Participants**	**Remarks**
09:00	Current challenges and strategies to address them	Association of towns and communities of Slovakia (ZMOS)	Hotel Crowne Plaza meeting room
10:30	Coffee Break		
11:00	Current challenges and strategies to address them	Union of towns of Slovakia (UMS)	Hotel Crowne Plaza meeting room
12:30	Lunch Break		
14:00	Cooperation between local and regional self-government, management of EU investment programs	Association of self-governing regions SK8	Hotel Crowne Plaza meeting room
15:30	Coffee Break		
16:00	Quality of local services, ways to improve citizen involvement	Association of citizens of towns and communities of Slovakia (ZOMOS)	Hotel Crowne Plaza meeting room
Friday, 17th June 2022			
Time (CET)	**Topic**	**Participants**	**Remarks**
09:00	Debriefing meeting	Ministry of Interior Local experts	Hotel Crowne Plaza meeting room