

Local Autonomy and Territorial Decentralisation in Capital Cities

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1. Introduction

The creation of sub-local political bodies in many urban municipalities in many countries in Western Europe can be viewed as an attempt to find the balance between integration and local differentiation. (Bäck et al. 2005) Territorial decentralisation reached its peak in the 1980s and 1990s, and two approaches caused by different objectives can be distinguished. The objective of the Central and Eastern European countries, recently freed from totalitarian dictatorship, was democratisation of their societies. (Illner 1998, Horvath 2000) The objective of Western Europe, especially the Scandinavian countries, was to overcome the consequences of the crisis of the welfare state and to search for a more effective management model. In addition to the ideas about NPM, one way was also territorial decentralisation within the city. (Bogason 1996, Bäck et al. 2005)

The introduction of sub-local political bodies in the municipalities implies the creation of a new territorial tier in the local governmental structure. The construction of the relationship between these tiers is a conceptual question.

The relation between the state and local governments, and the issue of local autonomy has been addressed in professional literature. (e.g. Sharpe 1970; Clark 1984; Page and Goldsmith 1987; Goldsmith 1995; Fleurke and Willemse 2004 and 2006 etc.). Multi-tier urban management is a relatively unstudied area compared to city planning and city governance. The present article strives to fill that void.

The purpose of the article is to establish criteria for measuring the scope of autonomy city districts have and compare the scope of city district autonomy in the capital cities of Central and Northern Europe. It is important to establish the limits of autonomy city districts can be granted without compromising the values of local self-government established in the European Charter of Local Self-government (hereafter 'the Charter'). The measuring is based on an analysis of the legislation of the above countries. The author describes in his article the parameters necessary for estimating the extent of autonomy city districts enjoy and tests them on the sample capital cities.

The article does not discuss the issue of whether decentralisation and city districts as such are a suitable means to reach democracy and achieve more efficient

management. The validity of decentralisation or centralisation in public administration is among the most frequently discussed problems but there are no unique reasons to justify choices. (Wagenaar and Rutgers 2004) The dominant political culture in a certain period colours the debate on centralisation and decentralisation. In some eras, equality is valued higher than efficiency, in others, participation in decision-making is considered more important than the quality of service delivery. (Fleurke and Hulst 2006) Arguments such as democratic character, legitimacy and efficiency were shown to be arguments that have been used to defend and promote both decentralisation and centralisation. (Vries 2000) The effects of urban decentralisation have been addressed especially in professional research conducted in the Nordic countries but, actually, there are no unique answers. (Bäck et al. 2005)

The author chose capital cities as the object of research. Capital cities are often political, economic and cultural centres, and, as the seat of the central government, they frequently bear symbolic meaning. Several countries such as Poland, Slovenia, Serbia, the Czech Republic and Slovakia, adopted a law on the capital city to establish the special status of their capital cities, and the legal organisation of capital cities is one of the research objects of the experts of the Congress of Local and Regional Authorities of Europe CLRAE Institutional Committee. (*Status of Capital Cities* 2007) Whatever their actual function in a country, all principles fixed in the Charter should prevail in them.

2. Theoretical Background

2.1 Local autonomy and decentralisation

Local autonomy is often conceptualised as freedom of high-level interference. (Sharpe 1970, Clark 1984, Page and Goldsmith 1987) Clark (1984) and Goldsmith (1995) defined decentralisation along two dimensions: the power of initiation and the power of immunity. Initiation refers to the actions of local governments in carrying out their rightful duties. Immunity refers to the power of localities to act without fear of the supervisory authority of higher tiers of the state. Immunity allows local governments to act however they wish within the limits imposed by their initiative powers.

From the aspect of democracy, decentralisation within the city can be viewed in two dimensions. (<http://www.worldbank.com>) Democratic decentralisation means that people outside the organisation (i.e. local residents) are involved both in preparing and taking decisions. Democratic decentralisation aims to give citizens or their elected representatives more power in public decision-making. *Administrative decentralisation*, also called ‘deconcentration,’ concerns higher-level management in the lower-level (district) arena, when a higher-level civil servant delegates tasks to lower-level civil servants to execute central policies. Most authors, when speaking about autonomy, mean, by default, democratic decentralisation.¹

¹ Vries (2000): “One of the main arguments in favour to decentralization was that it enhanced public participation in the policy process and would result in more democracy policy making processes”. Such objectives are unattainable by means of administrative decentralisation.

Decentralisation and local autonomy have often been regarded as synonyms (e.g. Rolla 1998), i.e. more extensive decentralisation automatically means more extensive local autonomy. However, several authors consider such a comparison a simplified one. Fleurke and Willemse (2004) distinguished different approaches of decentralisation in relation to local autonomy. They are of the opinion that a formal approach, where decentralisation automatically means more extensive local autonomy, is outdated. Instead, decentralisation is regarded as a process with rendered meaning within a framework of which local autonomy is a means to meet the set objectives.

2.2 Values of local government

A local government as an institution proceeds from the democratic *values* of the society; various management instruments are means to foster them. The foundation of local government includes the values of local autonomy, local democracy (scope for citizen participation and influence) and efficiency (making the most of available resources). (Sharpe 1970) In addition to this, the principle of subsidiarity is the binding factor of economic and social effectiveness. These values – democracy, autonomy and subsidiarity – have found an outlet in the Charter. The preamble of the Charter provides an opportunity for a statement of the basic premises². These are, essentially:

- The vital contribution of local self-government to *democracy, effective administration* and the *decentralisation of power*;
- The need for local authorities to *be democratically constituted and enjoy wide-ranging autonomy*.

Thus, the Charter unequivocally emphasises local autonomy as an underlying principle of the state-local government relations. The provisions of the Charter as an international treaty are generally applicable to the domestic law of countries and, thus, provide appropriate guarantees for local self-government.

Local autonomy and democracy

Political theory holds a special place for local democracy. Local democracy is the cornerstone of a democratic society. (Phillips 1996) Goldsmith (1995) underlines that without local autonomy, the local government is but an extension of the central authority. If local representatives do not have the right to take decisions on matters important for the local community, local democracy itself becomes a farce. Pratchett (2004) shares the view:

Local autonomy is often considered to be synonymous with local democracy, because, without some degree for exercising discretion, communities are unable to cultivate democratic practices. Although the argument above has asserted a broader role for local

² European Charter of Local Self-government. Explanatory report.<http://conventions.coe.int>.

democracy, there can be little dispute that local democracy is, fundamentally, about local self-government. It is primary rationale for local government.

The Charter emphasises “local freedom from central government interference” as a fundamental component of local democracy. The people in the locality are better placed than anyone else to know the issues, problems and conditions, and they are the only ones who can know their preferences and priorities and concerns. (Phillips 1996)

Local democracy is a necessary condition for local autonomy.

Local autonomy and subsidiarity

Linking local democracy and local autonomy, the competence of local governments inevitably has to be discussed. Local democracy is meaningless without the responsibilities and fiscal resources to realise the discretionary power. (Pratchett 2004) The competence of local governments can be based either on the principle of so-called general competence³ or on the principle of so-called ultra vires⁴ applied, for example, in Great Britain. (Norton 1994, Loughlin 2001)

The fundamental underlying principle of general competence is subsidiarity. In the Charter, it is established in article 4.3⁵, and since its wording leaves room for various interpretations, the principle is directly not binding and applicable. For example, the word “generally” leaves room for exceptions; also, the principle contains a reservation in terms of administrative capacity (“efficiency and economy”). However, the countries are committed to adhering to the principle when establishing the rights and freedoms of local governments. In the context of the article, subsidiarity is interpreted along two dimensions:

- ‘External subsidiarity’: Can be discussed within this hierarchy: state – local government – city district. This is the way the principle is also dealt with in the Charter. Since the Charter is applicable to the local self-government unit as a whole, the author feels that no right to general competence of city districts established by decentralisation of a unitary city can derive from the Charter. The local self-government unit is the subject of the Charter and the city district fulfills the functions it has been granted the rights, obligations and responsibility to perform under the principle of ‘ultra vires.’
- ‘Internal subsidiarity’: Although the principle of subsidiarity is generally treated in the context of the state – local governments, the rights, duties and responsibility move closer to the citizen and the problem upon territorial

³ ‘General competence’ is the right of the local government to act and demonstrate initiative regarding every local community-related issue, unless provided otherwise by law. An example of general competence in the Estonian Constitution: § 154: “*All local issues* shall be resolved and managed by local governments, which shall operate independently pursuant to law.”

⁴ ‘Ultra vires’ – Local government is only entitled to perform those tasks that are explicitly and legally assigned or permitted by national legislation. (Loughlin 2001)

⁵ Art 4.3: Public responsibilities shall generally be exercised, in preference, by those authorities which are closest to the citizen. Allocation of responsibility to another authority should weigh up the extent and nature of the task and requirements of efficiency and economy.

decentralisation of the city, and, therefore, the principle can also be applied to the context of city management. ‘Internal subsidiarity’ can be the basis for establishing responsibilities of city districts within a local government but it takes place within the limits set by the city council. Since the principle concerns territorial distribution of competence, adhering to it is not the case when the representative body delegates responsibilities to the executive body or to a city administrative agency.

2.3 Local autonomy and intra-city decentralisation

The following aims of city districts in the course of territorial decentralisation of city management have been mentioned in professional literature. (Barlow 1993, Norton 1994, Bäck et al. 2005, Assche and Dierickx 2007)

- Developing local democracy. City district management structures enable members of the public to participate in the political life and have a say in taking decisions on issues important for the district.
- Efficient planning of public services. Decentralisation can provide better solution for the optimal-scale problem. The city council would maintain all competencies in the areas where economies of scale can be expected, while the district councils would deal with the issues that require close contacts with the citizens or problems.
- Mediation and provision of public services. At the city district level, it is better to take into account the local priorities, manage resources efficiently according to the real needs and, thus, bring about efficient management.

While above, local autonomy was discussed from the point of view of its general meaning, i.e. from the point of view of relations between the state and local governments, now the main emphasis is on city district autonomy. City district autonomy adds another element: the relations between the city as a whole (and also, as a local self-government unit) and the city districts. There are a number of different models for metropolitan management. Barlow (1994) identified three basic models of metropolitan government:

- *The polycentric city* means single-tier local government consisting of numerous coequal local authorities. The polycentric model lacks an elected central authority for the city as a whole and is characterised by a high degree of municipal fragmentation.
- The model of *two-tier local government* means that there are two levels of local government, one being citywide authority, and the other consisting of numerous local units (city districts).
- The model of *unitary city* means a single-level local government for the entire local urban area. City districts (should they be established) are not independent units of local self-government.

A casual glance gives an impression of a simple division; yet, upon deeper analysis, it appears rather complex, especially distinguishing between the two-tier and the unitary city models.⁶ The question is how much autonomy the city district has to have in order to be regarded an independent unit of local self-government. There are no clear definitions. The existence of elected councils does not make city districts independent units of local self-government.

Article 3 of the Charter provides the freely elected representative body (commonly called ‘the council’) and thus, the *representative-democratic model* as the essential characteristic of local self-government. The political autonomy is a necessary but not sufficient condition for local government. It is important to define sufficient conditions necessary for the existence of second-tier local self-government in order to establish the criteria for the types of autonomy discussed below.

For various reasons, granting autonomy to city districts of a unitary city is problematic from the legal point of view. First and foremost, it is problematic due to the fact that the Charter is applicable to the local government, not to the city district. Upon regulating city district autonomy, the state perforce prejudices the rights and freedoms of local governments. The author is of the opinion that city district autonomy is justified only in case it is used to safeguard the values established in the Charter.

It is important to underline that city districts of a unitary city are not independent units of local self-government and, therefore, the criteria used for measuring the scope of city district autonomy cannot be applied one-to-one to the state and local self-government systems.

3. Measuring Scope of Local Autonomy

The article distinguishes between external and internal autonomy of city districts. External autonomy of city districts is established by law and it can mean the following binding consequences for the city in connection with city districts:

1. An obligation *to do something or not to do it*;
External autonomy means that the city has no discretionary power in a certain area. For example, the law stipulates that city districts have to be established or that a certain organisational structure has to be introduced upon establishing city districts.
2. An opportunity *to do something or not to do it*.
Internal autonomy, within the context of the article, means that exercising the statutory right to autonomy granted to city districts depends on discretionary power of the city council: e.g. the law establishes a compulsory organisation for city districts but establishment of city districts is left for the city council to decide.

⁶ The polycentric model is not employed in capital city management in Europe today. London provides an excellent case history of the polycentric city and two-tier models in practice. (Röber et al. 2002)

The article focuses on the power-of-immunity approach. In case of power of immunity, we proceed from local autonomy as a vertical division of power; the scope of independence granted to the sub-unit is an indicator of the scope of autonomy. It can be objectively measured since it is established by legislation.

Page and Goldsmith (1987), Pratchett (2004) as well the Charter distinguish between organisational, political and legal dimensions of local autonomy. The scope of city district autonomy is measured in terms of the above three dimensions:

1. City district organisational autonomy, i.e. the guarantee of a city district institution and the scope of decentralisation.
2. City district political autonomy, i.e. independence of local decision-takers and the scope of application of democracy.
3. City district legal autonomy, i.e. city district decision-taking power and the scope of application of subsidiarity.

3.1 Organisational autonomy

*The Charter guarantees the local government organisational autonomy, and the right to independently establish one's internal management organisation is its integral part.*⁷ After all, article 6 (1) of the Charter provides that “Without prejudice to more general statutory provisions, local authorities shall be able to determine their own internal administrative structures in order to adapt them to local needs and ensure effective management.” Thus, prescribing the city district organisational form means a restriction of local autonomy.

Prescribing by law the establishment of city districts and their organisational structure is indicative of organisational autonomy. The more detailed the prescription, the more extensive organisational autonomy, and the article distinguishes between four levels of organisational autonomy:

- *Lack of organisational autonomy – option 1:* Establishing city districts is an opportunity not an obligation of the local government. The city can establish city districts but the law does not prescribe their organisational structure.
- *Low organisational autonomy – option 2:* Establishing city districts is an opportunity not an obligation of the local government. The law prescribes the requirements for establishing and abolishing city districts as well as their organisational structure.
- *Medium organisational autonomy – option 3:* The law prescribes both the obligation to establish city districts and their organisational structure.
- *High organisational autonomy – option 4:* A list of all city districts by name is provided in legislation, and the council has no right to use its own discretion to establish or abolish them.

⁷ European Charter of Local Self Government *Explanatory Memorandum*. <http://conventions.coe.int>.

In case of democratic decentralisation, one of the city district bodies is the city district council. Establishment of other bodies depends on the chosen management model, and municipal law differentiates between various approaches. In the *monistic system*, the elected council is regarded as the supreme decision-making body, while the local administration acts under the instruction and scrutiny of the council without any political executive decision-making power of its own. (Stewart 1992) In the *dualistic system*, the elected council is recognised as the prime decision-making body, but the political executive body or mayor is seen as possessing some decision-making powers. (Stewart 1992)⁸ In case of administrative decentralisation, the city district has no representative body, and the city district is managed by either a political or non-political district manager.

The *two-tier model* of local self-government requires the city district to have at least *medium organisational autonomy*.

3.2 Political autonomy

Article 3 of the Charter provides the freely elected representative body (commonly called ‘the council’) and thus, the *representative-democratic management model* as the essential characteristic of local self-government.

Haus and Sweeting (2006) mention that at the local level, alternatives to usual methods of representation are more readily available, which constitutes incentives of institutional experiments. One of the alternatives is to decentralise political representation and establish territorial councils to represent a district. Also, the Council of Europe’s Committee of Ministers supported the democratic decentralisation in the recommendation submitted on 20 October 2004: “Within large metropolitan areas, internal decentralisation and deconcentration may help to improve participation (for example, elected bodies at municipal district level).”⁹

The criteria for measuring political autonomy have been chosen based on the level of independence the city district decision-taking body has. The more extensive the scope of political autonomy, the more independent the members of the city district decision-taking body are of the city representative body. The author distinguishes between four dimensions of political autonomy:

- *Lack of political autonomy – option 1*: The city district has no elected or appointed collective representative body, and the city district is managed by a non-political *district manager (chief executive)*.
- *Low political autonomy – option 2*: The city district has no elected or appointed collective representative body, but the city district is managed by a political *district manager*.

⁸ Stewart (1992) distinguishes four possible political executive models, including a separately elected individual political executive model and an appointed collective political executive model.

⁹ Council of Europe’s Committee of Ministers “Recommendation of the Committee of Ministers to member states on the processes of reform of boundaries and/or structure of local and regional authorities.” 2004 (12), 20 October 2004.

- *Medium political autonomy – option 3*: The city district has an appointed not elected collective representative body (usually appointed by the representative body). It is known in professional literature as ‘appointment democracy.’ (Bäck et al. 2005)
- *High political autonomy – option 4*: The city district representative body is elected directly by the residents.

As shown in chapter 2.3, ‘high political autonomy’ is a *necessary condition for local government*.

3.3 Legal autonomy

Political and organisational autonomy are meaningless without the scope of discretion and the resources to realise the benefits of such autonomy. (Pratchett 2004) Compared to organisational and political autonomy above, legal autonomy is the most complex. There are several significant reasons:

1. The rights to take independent decisions, to plan and deliver public services, and financial autonomy that are an inevitable condition of these actions are among the most significant guarantees of local government autonomy arising from the Charter.
2. Unlike measuring the two types of autonomy addressed above, it is complicated to establish an integral and universal criterion for measuring legal autonomy.

Two principal criteria are employed to measure the scope of legal autonomy: city district responsibilities and the system of financing.

- *Lack of legal autonomy – option 1*: City district responsibilities and the principles of financing are not established by law.
- *Low legal autonomy – option 2*: The law prescribes that the council shall establish the scope of city district responsibilities and city district fiscal autonomy. The city district discharges but responsibilities it has been delegated the rights, obligations and responsibility to take on.
- *Medium legal autonomy – option 3*: The law establishes general responsibilities of city districts but city districts lack an independent revenue base. The city council allocates financial resources as a single lump sum to the city districts based on an objective and measurable system of criteria and the districts themselves can decide distribution of the money between the fields.¹⁰
- *High legal autonomy – option 4*: The city district has an established list of responsibilities and an independent budget.

¹⁰ For the Oslo model, see Byrådets budsjettforslag for 2007 – dokumentasjon av budsjettgrunnlaget for bydelene. Grønt hefte. 2006. Oslo: Oslo Kommune Byrådsavdeling for finans og utvikling.

It appears upon analysing city district responsibilities that such responsibilities have been delegated to city districts which require public services to be available to the citizens near their places of residence or that the local government must reach an individual or a problem rather than the other way round. These responsibilities are set out below (Norton 1994, Bäck et al. 2005):

1. 'Soft sector' services (incl. social welfare, culture, libraries, sports, recreation);
2. 'Technical' services (incl. maintenance, local public green zones and roads).

Two-tier local self-government requires high legal autonomy because Article 9 of the Charter prescribes extensive financial autonomy for local governments.

4. The models of territorial decentralisation

The author analysed the capital city management models of Northern, Central and Eastern European countries. Among them, Estonia, Latvia, Lithuania, the Czech Republic, Slovakia, Slovenia, The Former Yugoslav Republic of Macedonia (hereafter 'the Macedonia') and Croatia are new democracies that emerged in the early 1990s. These countries, as well as Hungary and Poland, and Romania and Bulgaria, which joined the European Union on 1 January 2007, are characterised by the fact that they had to build a new and democratic local self-government system in the 1990s. (Horvath 2000, Kandeveva 2001) The Nordic countries, Germany, Austria and the Netherlands, on the other hand, are characterised by long-term stable democracy and an established local self-government system. (Norton 1994)

4.1 Model 1: The Baltic (or administrative) model – Tallinn, Riga, Vilnius, Sofia

Tallinn, Riga and Vilnius were under similar conditions after the international recognition of the countries' independence in 1991. (Vanags and Vilka 2006; Lõhmus and Tõnisson 2006) Upon implementing the administrative reform, the cities, due to an undemocratic and inefficient management model and arbitrary boundaries of the Soviet city districts, faced a problem of how to come up with a model that would not compromise the essential principles (derived from the functioning of communal self-government) of building a new management model and dividing the city into city districts but would, at the same time, adhere to the principles of economic efficiency. (Lõhmus and Tõnisson 2006) It is important to point out that the three Baltic coun-

tries chose different local self-government management models.¹¹ The model of capital city decentralisation in Sofia (capital of Bulgaria) is similar to that in the Baltic States although Sofia is situated on the other side of Europe.

The Baltic (administrative) model is characterised by the following features:

- *Lack of organisational or low organisational autonomy.* In Estonia and Lithuania, establishing city districts is in the competence of the city council; in Latvia, city districts related issues are not established by law.
- *Lack of political autonomy or low political autonomy.* Although district councils comprised of district residents exist in Tallinn and Vilnius, they are but advisors and recommenders.¹² (Lõhmus and Tõnisson 2006) In Riga and Vilnius, the district manager heads the district manager's office and, as a municipal official, he/she is directly under the chief executive. In Tallinn, the district managers are usually leaders of coalition parties' local organisations and, as political officials, they are interested in holding their offices also after elections; therefore, they are, first and foremost, guided by political motives upon managing their city districts. The city district managers are directly under the Mayor but since they are nominees of the Council coalition parties, they are actually relatively independent. (Lõhmus and Tõnisson 2006) In Sofia, the political district mayors are elected by the council on a proposal from the city mayor for the time of competences of the Municipal council.
- *Lack of legal autonomy or low legal autonomy.* Similar to the Scandinavian countries, the level of 'external legal autonomy' of city districts is low,¹³ but their level of 'internal autonomy' is not comparable to the Nordic countries.

In 2003, Tallinn City Government commissioned a study on city management and its problems from Tallinn University of Technology. The author of the present article participated in conducting the study. One of the conclusions of the study was that the level of political autonomy of city districts was low and, therefore, their legal and

¹¹ The local self-government system in Estonia is based on the dualistic system and the 'strong cabinet (or ministerial) model.' The political executive body is set up adhering to the principle of majority, i.e. its seats are assigned to representatives of the party or coalition of parties that won the election. The members of the Council cannot simultaneously be members of the executive body. The local self-government system in Latvia is based on the committee model. The lack of a political executive body is the reason for committees performing the duties that usually fall within the competence of a regular executive body. Lithuania uses the 'soft cabinet model,' i.e. there is the institution of the executive body. The Council forms the executive body and only Council members, including the mayor and his/her deputy (deputies), can be members of the council. (Lõhmus and Tõnisson 2006)

¹² In Estonia, the status or competence of the city district has not been provided in the Local Government Organisation Act or other legislation. Therefore, the City Council cannot delegate to the district council the right to issue local legislation, and the district council can give only advisory opinions. (Lõhmus and Tõnisson 2006)

¹³ Clauses 31 (2) 1) to 14) of the Lithuanian Law on Local Self-government provides a relatively thorough list of responsibilities for Lithuanian city districts. The city districts in Vilnius are rather the connecting link between the central level of the city and the members of the public defining the wishes and needs of the members of the public and other subjects, and passing the information on to the central level, as well as exercising supervision over compliance with various pieces of legislation. Specific public services are then provided by appropriate functional authorities.

financial means to perform local tasks had been rendered almost nonexistent. At the same time, city districts differ in terms of a number of social characteristics. Therefore, taking any decisions requires good knowledge of local conditions. The branches of municipal boards lack sufficient means to supervise and manage the delivery of public services of local importance; there are also problems with the speed of response and solving problems as a whole. (Löhmus and Tõnisson 2006)

4.2 Model 2: The Nordic Model – Stockholm, Oslo (1), and Copenhagen

In the 1980s, the economic and ideological crisis of the welfare state subsequently hit all local authorities and perhaps especially the big cities in Scandinavia. (Baldersheim and Stava 1993) Sweden, Denmark, Norway and Finland all introduced ‘free commune programmes’ along with other schemes to ‘modernise’ public administration. (Baldersheim and Stava 1993) The neighbourhood decentralisation and the establishment of territorial districts are among the results of these processes. (Bogason 1996)

The characteristics of the Nordic model are as follows:

1. *Low organisational autonomy.* City districts are established and abolished by the city council.
2. *Medium political autonomy.* The city council establishes city district councils as its territorial committees. Similar to council committees, city district councils are established based on the correlation of political forces in the city council. Voters from the entire city determine the composition of the city council, and thereby also (roughly) the composition of all the appointed district councils. (Bäck et al. 2005)
3. *Low legal autonomy.* Under the Nordic model, city district related issues are within the discretionary powers of local governments, and thus, the scope of city districts’ ‘external legal autonomy’ is small. Although the scope of city districts’ ‘external legal autonomy’ is small, city districts enjoy extensive ‘internal legal autonomy.’ Nordic local governments have been the principal institutions to discharge responsibilities of the welfare state. (Baldersheim and Stava 1993) Thus, city districts are largely instruments for performing functions of the welfare state by delivering ‘soft sector’ services and disposing of substantial parts of municipal budgets. (Bäck et al. 2005)

The most important characteristic of the model are extensive discretionary powers of the city council upon establishing city districts and defining their responsibilities; but what is even more important: the law does not require establishing an elected representative body.

4.3 Model 3: The Soft Central European model – Ljubljana, Amsterdam, Oslo (2)

Norway is probably the only Nordic country which has experimented seriously with new forms of political leadership. For example, each local government can decide whether to operate on the basis of the committee or the parliamentary system. Oslo introduced a form of cabinet government in the late 1980s. (Baldersheim 2005) Another similar example is the amendment to the Norwegian Local Government Act allowing the establishment of city districts with directly elected councils. Since 2007, all Oslo districts have directly elected councils.

City districts were established in Amsterdam in the 1980s¹⁴ and in Ljubljana in the 1990s.

The Soft Central European model has the following characteristics:

- *Low organisational autonomy* – the city council establishes and abolishes city districts. In Norway, the law establishes restrictions on the abolishment of city districts with a directly elected council – such districts can be abolished only in the end of the term of office of the city council.¹⁵
- In all countries applying the above model, city districts enjoy ‘high political autonomy.’
- City districts have ‘low legal autonomy,’ and city districts discharge responsibilities determined by the city council.

The most characteristic feature of the model is extensive discretionary powers of the city over establishing city districts and determining their responsibilities while city districts must have elected representative bodies.

4.4 Model 4: The Strong Central European model – Warsaw, Bucharest, Zagreb

This model is applied in big Central European capital cities. In essence, it is not two-tier local self-government. The Central European model has the following distinctive characteristics:

- *Medium or strong organisational autonomy*: the law requires dividing the capital city into districts or contains a list of city districts.
- City districts in all countries applying the above model enjoy ‘high political autonomy.’
- City districts have ‘medium legal autonomy’: although the responsibilities of city districts are established by law, city districts do not have an independent revenue base, and their budgets are part of the city budget. Zagreb deviates

¹⁴ Amsterdam’s first neighbourhoods were established in the early 1980s when Amsterdam-Noord and Osdorp were given their own authority through extensive independent powers, their own budgets and a team of civil servants. (<http://www.amsterdam.nl>)

¹⁵ Clause 12 (5) of the Norwegian Local Government Act: The municipal council may itself at any time re-organise or abolish a municipal district committee. This does not apply when the municipal district committee was elected in a direct election.

from the model since the law does not establish responsibilities of its districts. However, a statutory requirement to establish city districts allows the author to include Zagreb in the group.

The most characteristic feature of the model is the obligation of the city to establish city districts that have directly elected councils.

4.5 Model 5: The Quasi Two-tier Model – Prague, Budapest, Bratislava and Skopje

The fifth model is used in large Central and Eastern European capital cities, and it is characterised by extensive autonomy of city districts and, in essence, a two-tier management model.

- City districts have ‘medium or high political autonomy’ and their organisation generally corresponds to that of the city.
- City districts have ‘high political autonomy’
- City districts have ‘high legal autonomy,’ i.e. their responsibilities are established by law, and they have an independent budget and revenue base.

Applying the model can cause problems that are related to the possibilities of the local government as a whole to shape city policies. The relations between the city as a whole and its districts have aroused lively discussions in cities. (Bucek 1998, Horvath 2000)

The most characteristic feature of the model is an independent revenue base and budget of the city district.

4.6 Model 6: The Federal City Model – Vienna, Berlin

The author grouped capital cities that, in addition to being local governments are also states of a federal country, to form a separate model. Thus, the elected city council also discharges the responsibilities of the state (Land) parliament. Thus, the above cities enjoy legislative rights: although the statutes of the city have been approved, in essence, by the city council, it is legislation that has the legal power of the law. This aspect must be taken into account upon analysing autonomy of Berlin and Vienna city districts. Although formally, the cities apply the ‘Strong Central European model,’ their actual scope of autonomy is equal to the ‘Soft Central European’ model.

5. Analysis and discussion

The analysis of the models applied in cities enables the author to also draw some more general conclusions. All three types of ‘external autonomy’ – ‘organisational, political and legal autonomy’ – exist as a balanced system. Removing one element from the other makes all other elements of the system disappear. This is the reason for discussing the types of autonomy in the order presented in the article: ‘organisa-

tional autonomy’ is a condition for ‘political autonomy’ and these two together set a condition for ‘legal autonomy’ of the city district.

‘Organisational and political autonomy,’ in fact, do not infringe significantly on autonomy established by the Charter. It is, however, the case with ‘external legal autonomy.’ An analysis of the countries supports the assertion. While the first two types of autonomy are generally established by law, ‘external legal autonomy’ is rarer, and generally the council has the discretion to define the rights, obligations and responsibilities of city districts.

Considering the above, it is important to underline that the models of autonomy discussed in the article have been worked out on the basis of ‘external autonomy.’ The models do not proceed from real autonomy of city districts determined by the internal legal order of the local government, i.e. from ‘internal autonomy.’ Although in the case of the Baltic countries, ‘external autonomy’ is a relatively good reflection of the actual situation, in the Nordic countries, city districts enjoy relatively low ‘external autonomy’ but their ‘internal autonomy’ is considerable: both the list of city district responsibilities and their freedom to employ their budget funds reflect that. (Bäck et al. 2005)

Table 1

Models of territorial decentralisation

Model	Organisational autonomy	Political autonomy	Legal autonomy
Model 1 <i>Baltic (administrative) model</i>	Option 1 or 2	Option 1 or 2 Administrative dec.	Option 2 Mainly technical services.
Model 2 <i>Nordic model</i>	Option 2	Option 3 Appointed council	Option 2 Mainly <i>soft sector</i> responsibilities.
Model 3 <i>Soft Central European model</i>	Option 2	Option 4 Elected council	Option 2 Technical and soft sector responsibilities.
Model 4 <i>Strong Central European model</i>	Option 3	Option 4 Elected council	Option 3 Mainly all first-level responsibilities
Model 5 <i>Quasi two-tier model</i>	Option 3 or 4	Option 4 Elected council	Option 4 Mainly all first-level responsibilities
Model 6 <i>Federal city model</i>	Option 4	Option 4 Elected council	Option 3 Mainly all first-level responsibilities

Source: appendix 2.

The chosen topic can be elaborated. The analysis of statutory autonomy showed the formal role of autonomy and the boundaries of autonomy. Next, real legal autonomy of city districts can be measured. One possible approach was suggested by Fleurke and Willemse in their research published in 2006. (Fleurke and Willemse 2006) They measured the scope of local government autonomy by a ‘decision making approach.’ The authors measured autonomy from the point of view of three aspects (Fleurke and Willemse 2006):

1. *Initiative*: when no external influence or incentive from another actor can be detected, the decision is considered to have been taken on the district’s own initiative.
2. *Freedom of choice*: The extent to which other government authorities give the district council freedom in policy making is dependent on whether the district council has the possibility to decide between at least two alternatives with substantially different effects.
3. *Dependency*: Dependency of district councils on other actors can take different forms such as the need for information, money, personnel and funds.

Measuring the scope of city district autonomy from the point of view of these or similar aspects could be the topic of further research.

In general, effective city management is considered necessary, which has to go side by side with ensuring and developing democracy. The public administration principles of the European Union – subsidiarity and good governance that require citizen friendliness – must be adhered to also in case of city management.

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Appendix 1, Table 1
Population in capital cities as of 1 January 2004

	Capital city	Total population of country	Population of capital city	Percentage of capital city population of total population	Members of city council	Citizens per politician	Number of city districts	Smallest city district	Largest city district	Average	District council
1	Amsterdam/Netherlands	16,336	743	4.5	45	16.5	15	30,494	87,947	50	15-29
2	Belgrade/Serbia	7,498	1,576	21.0	90	17.5	16	24,641	217,773	99	19-75
3	Berlin/Germany	82,438	3,398	4.1	141	24.1	12	...	...	283	45
4	Bratislava/Slovakia	5,385	425	7.9	80	5.3	17	786	126,565	25	9-13; 31-60
5	Bucharest/Romania	21,734	1,927	8.9	55	35.0	6	229,000	393,000	321	27
6	Budapest/Hungary	10,097	1,695	16.8	66	25.3	23	...	...	74	...
7	Copenhagen/Denmark	5,431	501	9.2	55	9.1	12	...	...	...	...
8	Helsinki/Finland	5,266	562	10.7	85	6.6	-	-	-	-	-
9	Ljubljana/Slovenia	2,006	276	13.8	45	6.1	17	4,622	32,477	16	-
10	Oslo/Norway	4,667	544	11.7	59	9.2	15	24,256	45,042	36	15
11	Prague/Czech	10,265	1,184	11.5	70	16.9	57	222	129,481	21	5-45
12	Riga/Latvia	2,294	725	31.6	60	12.1	6	27,612	200,588	121	-
13	Skopje/Macedonia	2,038	506	24.8	45	11.2	10	...	...	50.6	13-23
14	Sofia/Bulgaria ¹⁶	7,718	1,231	15.9	61	20.2	24	...	...	51	-
15	Stockholm/Sweden	9,090	777	8.5	101	7.7	18	15,613	63,953	43	11-13
16	Tallinn/Estonia	1,371	403	29.4	63	6.4	8	12,277	114,142	50	11-27
17	Vienna/Austria	8,266	1,651	20.0	100	16.5	23	17,289	167,111	72	40-60
18	Vilnius/Lithuania	3,431	554	16.1	51	10.9	21	8,909	47,410	26	...
19	Warsaw/Poland	38,128	1,693	4.4	60	28.2	18	14,032	217,651	94	15-25
20	Zagreb/Croatia	4,439	692	15.6	51	13.6	17	10,844	67,162	41	11-19

Source: *Europe World Year Book 2005*

¹⁶ Stockholm reduced the number of city districts from 18 to 14. (Ett friare ...)

Appendix 2, Table 3

Capital	Organisational autonomy	Political autonomy	Legal autonomy	Comments
<i>Amsterdam</i>	Option 2 The council establishes and abolishes the bodies of city districts (<i>deelgemeente, stadsdelen</i>). Sections 87 and 87A The district council (<i>deelraad</i>) and the district board (<i>dagelijks bestuur</i>) appointed by the council, are the bodies of the district.	Option 4 Members of the district council are elected directly by the citizens. Section 87 (5)	Option 2 The responsibilities of the city districts are defined by the council. § 87 Districts do not have their own independent budgets.	Amsterdam has no special legal status. The same local government act is applied to Amsterdam as to all other municipalities. ¹⁷ Sections 87-92 regulate the status of city districts.
<i>Belgrade</i>	Option 2 The city council establishes and abolishes city districts (<i>četvrtne skupnosti</i>). Section 18 The district council (<i>centrne skupnosti svet</i>) is a body of the district. Section 19.	Option 4 Members of the district council are elected directly by the citizens. Section 19	Option 2 The responsibilities of the city districts are defined by the council. Districts do not have their own independent budget.	Belgrade has a special status. ¹⁸ Article 189 of the constitution stipulates that the capital status of the City of Belgrade shall be regulated by the Law on the Capital.
<i>Berlin</i>	Option 4 The law stipulates that city districts (<i>Bezirke</i>) have to be established; a list in the Act. Sections 1 and 2 The district council (<i>Bezirksverordnetenversammlung</i>) and the district board (<i>Bezirksämter</i>) are the bodies of the district. Section 2	Option 4 Members of the district council are elected directly by the citizens. Section 5	Option 3 The responsibilities of the city districts are defined by law. (Sections 12, 36, 37). Districts do not have their own independent budget.	Germany is a federal state. The capital Berlin is both a <i>Land</i> (a state) and a municipality. ¹⁹ The Law on the Districts of Berlin is legislation of the state (<i>Land</i>).
<i>Bratislava</i>	Option 4 The law stipulates that city districts (<i>mestskej časti</i>) have to be established; a list in an annex to the Act. Section 2 The district council (<i>miestnej zastupiteľstvo mestskej časti</i>) and the district mayor (<i>starosta</i>) are the bodies of the district. Section 7	Option 4 Members of the district council and the mayor are elected directly by the citizens. Subsections 16 (1) and 17 (2)	Option 4 The responsibilities of the city districts are defined by the law. Subsection 15 (2) Districts have their own independent budgets.	Bratislava has special legal status. ²⁰ Article 10 of the Constitution stipulates that the status of Bratislava as capital of the Slovak Republic will be enacted by law.

¹⁷ Netherlands: Gemeentewet. (Local Government Act) (1992)

¹⁸ Serbia: Zakon o Glavnom Gradu (Law on the Capital City) (2007)

¹⁹ Germany: Bezirksverwaltungsgesetz in der Bekanntmachung der Neufassung vom 28. Februar 2001 (Law on the districts of Berlin) (2001)

²⁰ Slovakia: Zákon č. 377/1990 Zb. o hlavnom meste Slovenskej Republiky Bratislave. (Law on the City of Bratislava); Zákon Slovenskej národnej rady z 1. októbra 1990 o meste Košice. (Law on the City of Košice) Zákon o obecnom zriadení (Local Government Act) (1990)

Bucharest	<p>Option 3 The law divides Bucharest into 6 city districts (<i>primaria sector</i>). Section 92 The district council (<i>consiliul local</i>) and district mayor (<i>primar</i>) are the bodies of the district.</p>	<p>Option 4 Members of the district council and the district mayor are elected directly by the citizens. Subsection 94 (2)</p>	<p>Option 3 The responsibilities of the city districts are defined by the law. Subsection 95 (2) Districts do not have their own independent budget.</p>	<p>Bucharest has a special legal status. The same local government Act is applied to Bucharest as to all other municipalities. Chapter 5 of the framework law regulates the special status of the capital city.</p>
Budapest	<p>Option 3 Article 74 (2) of the Constitution stipulates, that "The capital is divided into districts. Districts may be formed in cities as well." The district council and district mayor are the bodies of the district.</p>	<p>Option 4 Members of the district council and the district mayor are elected directly by the citizens.</p>	<p>Option 4 The responsibilities of the city districts are defined by the law. Districts have their own independent budgets.</p>	<p>Budapest has a special legal status.²² Chapter VI of the framework law regulates the special status of the capital city.</p>
Copenhagen	<p>Option 2 The council establishes and abolishes the bodies of city districts (<i>bydøle</i>). The district council is a body of the district (<i>lokaltudvalg</i>). Section 65</p>	<p>Option 3 Members of the district council are appointed by the council. § 65</p>	<p>Option 2 The responsibilities of the city districts are defined by the council. Districts do not have their own independent budgets.</p>	<p>Copenhagen has no special legal status. The same local government act is applied to Copenhagen as to all other municipalities.²³ Today (February 2008), Copenhagen has 12 city districts ten of which have their own district council. At the end of 2008, all districts will have their own council. (http://www.kk.dk/)</p>
Helsinki	<p>Option 2 The council establishes and abolishes the bodies of city districts. Section 17</p>	<p>Option 3 Members of the district council are appointed by the council.</p>	<p>Option 2 The responsibilities of the city districts are defined by the council. Section 17</p>	<p>Helsinki has no special legal status. The status of city districts is regulated by provisions established for council committees (Sections 16-25)²⁴ There are no bodies of city districts in Helsinki.</p>

21 **Romania:** Legea administratiei publice locale. LEGE nr. 215 din 23 aprilie 2001 (Local Administration Act) (2001)

22 **Hungary:** 1990. évi LXX. Törvény: – a helyi önkormányzatokról. (Local Government Act) (1990)

23 **Denmark:** Lov om kommunernes styrelse. (Local Government Act) (2001)

24 **Finland:** Kuntalaki (Local Government Act) (1995)

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Ljubljana	<p>Option 2 The city council establishes and abolishes city districts (<i>četrtno skupnost</i>). Section 18</p> <p>The district council (<i>četrtna skupnostni svet</i>) is a body of the district. Section 19</p>	<p>Option 4 Members of the district council are elected directly by the citizens. Section 19</p>	<p>Option 2 The responsibilities of the city districts are defined by the council. Section 19b</p> <p>Districts do not have their own independent budget.</p>	<p>Ljubljana has no special legal or administrative status. The same local government Act is applied to Ljubljana as to all other municipalities.²⁵</p> <p>Sections 18-19c regulate the status of city districts. With the special law, adopted in 2004, the relationships between state and capital are normatively regulated.</p>
Oslo	<p>Option 2 The council establishes and abolishes the bodies of city districts (<i>bygdé</i>). Section 12</p> <p>The district council is a body of the district (<i>bygdeskråning</i>). Section 12 City districts with an elected council cannot be abolished between two consecutive elections. Subsection 12 (5)</p>	<p>Option 3 or Option 4 Members of the district council are appointed by the council (Subsection 12 (1)) or members of district council are elected directly by the citizens (Subsection 12 (2)).</p>	<p>Option 2 The responsibilities of the city districts are defined by the council. Subsection 12 (3).</p>	<p>Oslo has no special legal status. The same local government Act²⁶ is applied to Oslo as to all other municipalities.</p> <p>Section 12 regulates the status of city districts.</p>
Prague	<p>Option 3 The law stipulates that city districts (městské části) have to be established. Subsection 3 (1)</p> <p>The elected district council (<i>zastupitelstvo</i>) and the district board (<i>Rada</i>), appointed by the council, are the bodies of the district. Section 4</p>	<p>Option 4 Members of the district council are elected directly by the citizens. Sections 87 and 88</p>	<p>Option 4 The responsibilities of the city districts are defined by law.</p> <p>Section 18 Districts have their own independent budgets. Subsections 4 (4) and 34 (2)</p>	<p>Prague has a special legal status.²⁷</p>
Riga	<p>Option 1 According to the law (Clause 241), the territorial division is established by a statute. According to the law (Clause 242), the organisation of the city district is established by a statute.</p>	<p>Option 1 City districts (priekšpilsēta/rajonas) do not have political bodies.</p>	<p>Option 1 The responsibilities of the city districts are defined by the council.</p>	<p>Riga has no special legal status.</p> <p>The same local government Act is applied to Riga as to all other municipalities.²⁸</p>

²⁵ **Slovenia:** Zakon o lokalni samoupravi. (Local Government Act). Zakon o glavnem mestu Republike Slovenije (Law on the Capital City of Slovenia)(2004)

²⁶ **Norway:** Kommunelova. (Local Government Act) (1992)

²⁷ **Czech:** Zákon ze dne 13. dubna 2000 o hlavním městě Praze (Law on the City of Prague) (2000)

²⁸ **Latvia:** Likums "Par pašvaldībā" / Priepemts 1994. gada 19. maijā. (Law on Local Governments) (1994)

<i>Skopje</i>	<p>Option 4 The law stipulates that city districts (Општини) have to be established; a list in the Act. Sections 1 and 2 The district council (совет) and district mayor (Градоначалник) are the bodies of the district.</p>	<p>Option 4 Members of the district council and the district mayor are elected directly by the citizens. Sections 23 and 24</p>	<p>Option 4 The responsibilities of the city districts are defined by law. Section 20 Districts have their own independent budgets. Sections 25-28</p>	<p>Skopje has a special legal status. Article 117 of the Constitution stipulates that the City of Skopje is a particular unit of local self-government, the organisation of which is regulated by law.</p>
<i>Sofia</i>	<p>Option 4 The law lists the districts (<i>raion</i>) of the capital city and two other largest cities – Plovdiv and Varna. The mayor (кмет), appointed by the council, is the body of the district.</p>	<p>Option 2 The political district mayors are elected by the council on a proposal from the city mayor for the time of competences of the Municipal council.</p>	<p>Option 2 The responsibilities of the city districts are defined by the council. Districts do not have their own independent budget.</p>	<p>Sofia has no special legal status. The same local government Act is applied to Sofia as to all other municipalities.</p>
<i>Stockholm</i>	<p>Option 2 The council establishes and abolishes the bodies of city districts (<i>stadsdel</i>) 3.3, 3.4.2 The district council is a body of the district (<i>stadsdelensnämnd</i>). Subsection 3 (3), Clause 3 (4) 2</p>	<p>Option 3 Members of the district council are appointed by the council. Clause 3 (9) 3</p>	<p>Option 2 The responsibilities of the city districts are defined by the council. Clause 3 (1) 3, Subsection 6 (5) Districts do not have their own independent budgets.</p>	<p>Stockholm has no special legal status. The same local government Act is applied to Sjöckholm as to all other municipalities³⁰. The status of city districts is regulated by provisions established for council committees. Clause 3 (4) 2</p>
<i>Tallinn</i>	<p>Option 2 City district bodies are established and abolished by the council. Subsections 57 (1) and 57 (3) The political district manager is a body of the district. § 57, 57¹</p>	<p>Option 2 The political district manager is appointed by the City Government on the proposal of the mayor. § 57 (2) 3</p>	<p>Option 2 The responsibilities of the city districts are defined by the council. § 57 (8) Districts do not have their own independent budgets.</p>	<p>Tallinn has no special legal status. The same local government Act is applied to Tallinn as to all other municipalities. Chapter 8 regulates the status of the city and its districts (and rural municipality districts).</p>

²⁹ **Bulgaria:** ЗАКОН ЗА МЕСТНОТО САМОУПРАВЛЕНИЕ И МЕСТНАТА АДМИНИСТРАЦИЯ. Обн., ДВ, бр. 77 от 17.09.1991 г (Law on Territorial Administration and Local Self-Government) ЗАКОН ЗА ТЕРИТОРИАЛНОТО ДЕЛЕНИЕ НА СТОЛИЧНАТА ОБЩИНА И ГОЛЕМИТЕ ГРАДОВЕ (Law of the territorial division of the commune of the capital and the big cities) Обн., ДВ, бр. 66 от 25.07.1995 г

³⁰ **Sweden:** Kommunallag. (Local Government Act) (1991)

³¹ **Estonia:** Kohaliku omavalitsuse korralduse seadus. (Local Government Organisation Act) (1993)

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Vienna	<p>Option 4 The <i>Viennese City Constitution</i> stipulates that city districts (<i>Bezirke</i>) have to be established; a list in the Act. Section 3 The district council (<i>Bezirksvertretung</i>) (Section 61a) and the district chairman (Section 61b), appointed by the district council, are the bodies of the district.</p>	<p>Option 4 Members of the district council are elected directly by the citizens. Sections 60 and 61a</p>	<p>Option 3 The responsibilities of the city districts are defined by the law. Section 103 Districts do not have their own independent budgets.</p>	<p>Austria is a federal state. The capital Vienna is both a <i>Land</i> (state) and a municipality. The Viennese City Constitution is legislation of the state (<i>Land</i>).³²</p>
Vilnius	<p>Option 2 The council establishes and abolishes the bodies of city districts (<i>seniūnija</i>). Subsection 30 (1). The district manager is a body of the district (<i>seniūnas</i>). Subsection 30 (3). The city district council (<i>seniūnijos taryba</i>) is an advisory body and the city council decides its establishment. Clause 30 (4)</p>	<p>Option 1 The apolitical district manager is chosen by way of competition. The favourable opinion of the public is considered an advantage to the candidate. § 30 (2)</p>	<p>Option 2 The responsibilities of the city districts are defined by the law. Section 31. Districts do not have their own independent budgets.</p>	<p>Vilnius has no special legal status. The same local government Act is applied to Vilnius as to all other municipalities. Sections 30 and 31³³ regulate the status of city districts.</p>
Warsaw	<p>Option 4 The law stipulates that city districts (<i>dzielnice</i>) have to be established; a list in the Act. Section 14 The district council (<i>rada dzielnicy</i>) and the mayor (<i>burmistrz</i>) are the bodies of the district. Section 6 The latter is elected by the district council from among the candidates nominated by the mayor.</p>	<p>Option 4 Members of the district council are elected directly by the citizens. Section 7</p>	<p>Option 3 The responsibilities of the city districts are defined by the law. Section 11. Districts do not have their own independent budget. Section 12.</p>	<p>Warsaw has a special legal status.³⁴ Until 2000, a two-tier management model was applied in Warsaw. Since October 2002, when the new law on the structure of Warsaw came into force, all of Warsaw has been one city with the powers of a county which was abolished and divided into 18 districts.</p>
Zagreb	<p>Option 3 The Law on the City of Zagreb stipulates that city districts (<i>gradska četvrt</i>) have to be established. Section 17 The district council (<i>liječe gradske četvrti</i>) and the chairman of district council (<i>predsjednik vijeća</i>) are the bodies of the district (<i>Local Government Act, Section 61</i>).</p>	<p>Option 4 Members of the district council are elected directly by the citizens. Section 61</p>	<p>Option 2 The responsibilities of the city districts are defined by the council. (<i>Law on the City of Zagreb, Section 18</i>) Districts do not have their own independent budget.</p>	<p>Zagreb has a special status.³⁵ Article 13 of the Constitution stipulates that the status, jurisdiction and organisation of the capital city shall be regulated by law. The framework law contains provisions (Sections 57-66) on city districts (<i>mjesna samouprava</i>).</p>

Source: analysis

• Districts have their own budgets: districts have their own independent revenue and the right to plan their expenditure.

• Districts do not have their own independent budgets: districts do not have their own independent revenue (they get special grants from the city council in proportion to their tasks and responsibilities) but they have the right to plan their expenditure.

32

Austria: Verfassung der Bundeshauptstadt Wien (Wiener Stadtverfassung – WStV) (Law on the Capital of Vienna)

33 **Lithuania:** Lietuvos Respublikos Vietos Savivaldos Įstatymas. (Law on Local Governments) (1994)

34 **Poland:** Ustawa z dnia 15 marca 2002 r. o ustroju miasta stołecznego Warszawy (Law on the Capital of Warszawa) (2002)

35 **Croatia:** Zakon o Gradu Zagrebu, 11. srpnja 2001 (Law on the City of Zagreb, with amendments) Statut Grada Zagreba. Zagreb, 19. prosinca 2001. (Statutes of Zagreb)
Zakon o lokalnoj i područnoj (regionalnoj) samoupravi, koji je donio Hrvatski sabor na sjednici 6. travnja 2001 (Law on Local and Regional Government) (2001)