Sound Local Public Management in the Danube Region
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Authors:
Dalilah Pichler
Bernhard Krabina
KDZ - Centre for Public Administration Research
Gugligasse 13 · A-1110 Vienna
T: +43 1 892 34 92-0 · F: -20
institut@kdz.or.at · www.kdz.or.at

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EUSDR Priority Area 10 “Institutional Capacity and Cooperation”
Kaiserstrasse 113-115/7 - A-1070 Vienna
T: +43 1 8908088-2202
info@pa10-danube.eu · capacitycooperation.danube-region.eu

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1 Introduction

Purpose of this White Paper

Public administrations across all countries and regions are faced with an increasingly complex environment. Climate change, digitalization and a more demanding civil society are only some of the challenges the public sector must respond to, especially on the local level. Bureaucratic structures are too rigid to quickly adapt to a volatile and unpredictable environment, where citizens are well connected and better-informed through technology and demand open and accountable institutions. Furthermore, all members of the United Nations have committed to sustainable development, as expressed in 17 Sustainable Development Goals (SDGs) that provide guidance for governments all over the world to ensure prosperity for people and planet also for future generations.

Given these challenges, the purpose of this Policy Paper is to narrow down essential values and areas in public management on which local politicians, public employees and policy makers should focus on in order to achieve sound local public management. The recommendations in this paper are tailored to the context of local governments in the Danube region.

Framework for Sound Local Public Management

Municipalities are closest to their communities, offering many essential public services and having valuable knowledge on the needs of their residents. It is on the local level where sound public management directly and promptly affects civil society and businesses to foster a prosperous community. Thus, modern public management in an increasingly complex environment shifts to public governance where management of the processes of interaction and decision-making among the involved actors is key. Therefore, the concept of governance is also the underlying paradigm in this context.

With the commitment to the principles of sound local public governance, municipalities should aim for the following DESIRED OUTCOMES:

(1) ensuring higher trust and transparency levels,
(2) improving public services based on the needs and expectations of their residents and
(3) achieving sustainable development.

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1 The Danube region covers the following countries and regions: Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Germany (Bavaria, Baden-Württemberg), Hungary, Montenegro, Romania, Republic of Moldova, Serbia, Slovakia, Slovenia, Ukraine (Chernivetska Oblast, Ivano-Frankivska Oblast, Zakarpatska Oblast and Odessa Oblast)
Based on fundamental principles and VALUES of good governance, three FOCUS AREAS should be emphasised in which change should be facilitated to support the achievement of said objectives:

- Leadership and capacity building for public managers and employees
- Re-thinking public service delivery & quality management
- Local financial management

The following recommendations are based on the elaborate publication of the European Commission “Quality of Public Administration – A Toolbox for Practitioners”. The publication is an extensive source of tools and best practices across Europe and is recommended for further reading.

Source: KDZ 2019, own representation
II Values of Public Governance

The foundations of good governance are widely shared values and principles throughout an administration. These values guide public decision-making toward the common interest and thereby help build trust in government. Actions based on these values should always connect the three spheres of sustainable development, namely economic, social and environmental sustainability. From different EU and OECD practices, the fundamental values integrity, openness, accountability, inclusiveness and innovation are key to citizen-driven policy making and to reducing corruption. These are not stand-alone values, but are interconnected and interdependent, and are not exhaustive. They can be seen as guiding principles for the development of a modern public administration, each with their own set of values, principles and codes of conduct.²

1 Integrity

Trust is built when the actions of one’s counterpart are reliable, fair and predictable. It must be systematically ensured that administrations take decisions in the interest of the public when using and allocating public resources instead of enabling private or political interests to exert influence. Building a culture of integrity and honesty is thus at the heart of anti-corruption measures. If citizens and businesses can trust their local government in being treated fairly and equally, it does not only facilitate the founding of businesses and the flourishing of entrepreneurship, it also strengthens democracy. To embed integrity as a core value within public administrations, the training and commitment of senior public servants and high political figures is essential. With respected leaders setting an example at the top, an organizational transformation can be achieved. A helpful instrument is the co-creation and communication of and commitment to ‘codes of conduct’ – a set of values agreed to by all public servants – which also includes enforcement mechanisms to monitor value-based decisions and actions. But integrity is not given if it happens behind closed doors; therefore, accountability and transparency are also vital for achieving integrity of public institution.

2 Openness

To ensure that governments are open and accountable, mechanisms of public oversight are indispensable. This means that administrations need to ensure that their decisions and actions are transparent, in order to be held accountable. With citizens and business being able to question governmental actions, this leads to reduction of fraud and corruption.

There are different steps of ensuring open government, which typically starts with open access to administrative data. Open Data should be free, accessible and understandable. Citizens and businesses should be able to use the data to develop new services which stimulates job creations

² For an extensive set of values of good governance, see European Commission (2017). Quality of Public Administration – A Toolbox for Practitioners
in the field of ICT. Constant communication and interactions with the public through various channels, such as social media is a further step towards a more open government. A pro-active approach in sharing information and data boosts the integrity of administrations. This can lead to the implementation of mechanisms of participation and collaboration, where government, businesses and civil society co-produce and co-create public services.

3 Inclusiveness

Representative democracy has the core function to represent all its citizens. Thus, governance and decision-making must be equal for all, and politicians and civil servants must commit to the inclusion of disadvantaged, vulnerable and marginalised groups. This includes setting frameworks for gender equality, diversity and the involvement of youth in public life. With participatory mechanisms installed, the challenging part is to ensure it is used by and accessible to citizens with fewer resources in terms of time, knowledge, and influence. For inclusive policymaking, effective stakeholder management is key in order to tap into the knowledge and expertise of the stakeholders affected. The focus on inclusiveness supports the design of public services that fit the needs of its users and may open up new paths that have not been considered within organizational silos before.

4 Accountability

Public administrations and governments are accountable to the public. Performances and decisions must be explained to stakeholders, third parties and media (horizontal accountability), but also within the organization, i.e. the establishment of accountability within the hierarchy (vertical accountability). Problems arise from closed and non-transparent decision-making processes and lacking accountability mechanisms. Being held accountable should not only result from media coverage on major scandals, which is typically followed by a political blame game. Setting accountability standards subject to deliberation are a way forward towards more integrity and openness.

5 Innovation

Innovation goes beyond mere improvement or continuous change; it means that given resources are creatively re-assembled, existing structures and processes are questioned and input from different stakeholders within and from outside organizational boundaries is welcomed. Public sector innovation has many faces and comes in different forms such as process, product, service, policy or governance innovation. It is important to see innovation only in a technological context, but also in a social and organizational one. An innovative mind-set in the public sector does not just follow new trends for the sake of being first, but that it is capable of managing transformations and
change. This begins with being open to new ideas from citizens, businesses and employees and creating an environment where these ideas can flourish. Administrations can use different settings for generating new ideas, through interactive workshops or design-thinking methods for example.
III Leadership and Capacity Building

Change and development of local public administrations towards a more dynamic and innovative environment is a challenging task. Many aspects such as political will, civil society demands or public scrutiny influence decision-making and policy implementation. It is expected that public funds are handled expeditiously, efficiently, economically and effectively. On top, rigid legal frameworks put another layer of complexity for any changes or endeavours within the administration.

Good public governance therefore depends on excellent leadership and capacity building. This means that more attention should be paid to education, qualification, recruitment and selection of public service managers and employees. The success of public sector modernization is directly connected to the quality and commitment of the public workforce as much as political leadership. Especially leadership based on integrity supports the process of embedding core values within the administration. The implementation of human resource management practices can help prevent abuse of authority and prioritize professionalism and expertise.

1 Public service leadership

There is a clear line to be drawn between roles of elected political leaders and administrative leaders. The former are politicians that are head of their local authorities. These are mainly mayors and other senior elected officials and their key responsibility is the effective management of the local authority. The main functions\(^3\) of political leaders are:

- **To look ahead**, developing, sharing and planning a longer-term vision for the community.
- **To provide strategic management** for the organization of the local authority and for the provision of local public services whether delivered:
  - by the local authority itself;
  - in partnership with other organizations; or
  - through outsourcing arrangements.
- **To engage** local people and organizations in the activities of the local authority by:
  - keeping them informed (e.g. of Council plans and policies);
  - consulting them on important matters (e.g. the draft budget); and
  - sharing the decision-making role (e.g. in neighbourhood committees or in the joint provision of a service).

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Elected officials should work as a team with the administrative staff and not do the work for them. Therefore, it is important to understand each other’s roles and responsibilities. Political leaders must move away from exercising hierarchical authority towards empowering and engaging staff for them to gain ownership of their tasks.

**Leadership by public managers** on the other hand is needed as much as political leadership. Leaders within the administration must cope with political uncertainty and fast-changing environments. It is also their leadership through which contexts are created where innovative ideas and new ways of working can emerge. However, there is no ‘one-fits-all’ type of leadership. Depending on the complexity of the environment, leaders must adapt to the situation within their sphere of influence.

For less complex environments, i.e. projects or service deliveries involving a low range of stakeholders and interdependencies, leadership functions involve more directing, planning and resourcing activities such as helping co-workers understand their roles, tasks and responsibilities.

The more complex the context gets, e.g. with multiple stakeholders being involved, political agendas being pushed, or lengthy procedures going on, the more adaptive leadership must be. Stimulating innovative ideas, actively supporting inclusion and participation of multiple stakeholders across organizational and sectoral boundaries and being flexible to changing plans, processes and routines are some of the needed skills in such complex environments.⁴

To sum up, it is essential to place the right people with leadership capabilities in the right position, and provide them with the appropriate mandate and conditions for them to act. Building towards this also needs strategic planning regarding human resources.

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**USEFUL TOOL**

The **Leadership Academy Programme** of the Council of Europe is a learning and action course targeting mayors, senior officials and elected representatives of local government that seeks to develop leadership over 3 stages: leadership for organizations, leadership for strategy, and leadership for capacity building. The objective is to equip participants with the knowledge and the tools to deliver good governance through high-performing local government organizations.


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⁴ Murphy et al. (2017) Managing the Entanglement: Complexity Leadership in Public Sector Systems
2 Human resource management

Civil servant systems are typically classified into two types: career-based and position-based systems. The traditional bureaucratic administration foresees employment right after school or higher education, with a steady progression on the career ladder and positions appointed according to seniority. This career-based approach has become outdated and does not meet the requirements of flexibility and adaptability of the new century. An ageing workforce, online services, big data and a more digital society accelerate the need to reconsider the human resource management of local authorities.  

Strategic human resource planning starts with authorities rethinking how positions can be filled with staff with the right skills and competences, and how in the long-term positions might change. This systematic process should include the whole human resources (HR) cycle, from planning, to recruitment, selections, performance management, development and training and redeployment. The link between HR policies and organizational performance must be acknowledged.

As a result, a shift is needed from employing staff due to their status towards employment by a pre-defined competence framework. Local authorities must define which competences and skills are needed to reach the organizational goals. Based on these competences and the organizational values, job profiles should be created and openly communicated. The recruitment and selection processes should be transparent, fair and impartial and vacant posts allocated according to objective criteria.

In general, the public sector is facing challenges with an ageing workforce and uncompetitive salaries compared to the private sector. The perception of public sector jobs is that of a safe, steady and monotonous work. Local authorities are advised to invest in image and employer branding, and to promote flexibility and diversity in tasks to attract new and skilled workforce. During the last years, social networking or talent acquisition platforms have brought new and innovative possibilities to recruitment also for the public sector.

Finally, development and continuous learning should be an integral part in human resource considerations. Not only should there be a focus on ‘hard skills’, but especially trainings in leadership and soft skills should be offered to the staff. Empowering employees to take action and providing the necessary space and structures for them to take ownership and work together for a
common purpose supports an innovative environment and can transform the image of the public sector to an attractive employer.

In times of ever-increasing amounts of available data and information, it becomes essential to understand knowledge as a resource that can be managed inside the organization as well as across the organizational boundaries. **Knowledge management** focuses on establishing an environment where people (individuals and teams), the organization (processes, culture) and technology (tools) are aligned to identify, acquire, transform, develop, disseminate, use, share, and preserve knowledge to achieving specific objectives.

**INSPIRING PRACTICE: Sofia Knowledge City**

The vision of Cluster Sofia city of knowledge is to be the initiator and participant in the process of transforming Sofia from a traditional administrative capital into an Intelligent City that builds and maintains a sustainable high quality of life and good governance by supporting the development of business based on innovation and knowledge. It combines the efforts of business with the intensive knowledge sectors with the municipality, research institutes, development, educational and financial organizations.

IV Re-thinking Public Service Delivery and Quality

Quality of life in a municipality or region strongly depends on the organization of services of general interests such as infrastructure, waste management, education, health care or social services. The essence of public administration is ensuring public service delivery, but reduced budgets and fast changing needs and expectations of citizens and businesses make it hard for local authorities to maintain and improve the status quo of public service delivery.

To meet the growing demands of public service users, it is necessary to re-think traditional service delivery from a procedural bureaucracy towards putting the needs of citizens and business in the centre of service design. Furthermore, opening up the process and viewing pressing issues from a more systematic perspective can break up silos of organizational units and let “outside” knowledge contribute to designing more innovative services. With increased participation of multiple stakeholders, and the use of ICT as enabler for introducing such processes, innovative, transparent and inclusive public services can be offered.

1 User-centricity in service design

When shifting the mind-set from a more bureaucratic output-orientated approach towards a user-centric idea of service delivery, the first and most basic step is the consultation of users in order to understand their needs and expectations. Such consultation processes should follow the underlying values of being open, inclusive and transparent and can accompany different stages of service delivery, from the designing phase, during implementation, or even when the service is being phased-out. There are many tools that can be used depending on the situation faced by the service-provider. For example, user surveys can be done to directly reach out to citizens and businesses in order to assess their experience with public services. A further step is setting up focus groups or user panels to provide a more deliberative approach in understanding the needs and challenges faced with public services.

The second step of improving processes to benefit service users encompasses the target to reduce administrative burdens, such as ‘cutting red tape’ and streamlining processes to make the use of public services simpler and freeing resources at the same time. Administrative burden reductions are very complex and there is no single model that can be applied everywhere. However, the OECD has identified success factors for overcoming the most common barriers in administrative simplification, some of which can also apply to the local level (selection):

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6 Excessive regulation or rigid conformity to formal rules that is considered redundant or bureaucratic and hinders or prevents action or decision-making is often referred to as “red tape”.

7 OECD (2009). Overcoming barriers to administrative simplification strategies: guidance for policy makers
Get powerful support from a highly visible political figure
Political commitment puts reform on the agenda and real political leadership empowers public managers and employees to take ownership of change and improvement.

Prioritise based on evidence
Use the input from public service users to decide which processes to prioritize on. Not only financial factors are relevant, but also a focus on public value and non-quantifiable factors.

Promote a ‘reform and innovation’ mentality
Building on an innovation mind-set, the administration should enable employees to test and experiment with new ideas, and not be discouraged by failures. Instead, a culture of learning should be fostered to gain new ideas.

Build ownership and momentum with users
Participation and co-creation of users is key to design public services based on actual needs of citizens and businesses.

Internalise the benefits of simplification to citizens and businesses within the administration
Public sector employees should understand the benefits for public service users and how it can improve public value of their services.

In recent years, modern technology has fundamentally changed the way users are expecting service-design. Digitalisation of public administration is not an end, but a means to improve efficiency, increase user-friendliness and accessibility, and to reduce opportunities for corruption. The challenge is to bring different services together into one process, a service that is easy for users to access (e.g. digital platform) and which minimizes the number of administrative units that need to be consulted (e.g. one-stop-shops). The use of new technologies and interoperability, i.e. the ability of systems to communicate and work together, within or across organizational boundaries, play a vital role in the improvement of processes.

A sound digital environment also allows the use of more collaborative and participatory tools with stakeholders such as citizens, business and civil-society organizations to define political priorities actively together and to co-create public services. The underlying concept of open innovation opens up processes in order to let stakeholders contribute ideas for improving public services through digital tools and offline channels, to ensure inclusiveness in such processes.
2 Quality Management

Most public services are already in place and are functioning in a satisfactory way; of course, there is always room for improvement. Within the operational activities of an organizational entity the question arises how quality of services and processes can be improved, or the quality be kept on a constant (high) level.

When considering change, it is recommended to take a systems-thinking approach. This means to view the own organization and its policies embedded in an interconnected system, where choices affect actors within and beyond the organizational boundaries. Thus, all relationships with the external environment should be considered and the interdependencies understood, in order to make improvements within the system. Systems-thinking is the basis for the ideas of total quality management (TQM), which seeks for continuous improvement and satisfaction of all stakeholders.
There are many instruments of quality management, such as certification processes (ISO), the Excellence Model by the European Foundation for Quality Management (EFQM) or the Common Assessment Framework (CAF), which is a self-assessment tool specifically designed for public administrations. CAF is less demanding than other excellence models and is a suitable instrument for organizations starting off with quality management procedures.

**USEFUL TOOL**

The **Common Assessment Framework (CAF)** is a total quality management tool developed by the public sector for the public sector. It is based on the premise that excellent results in organizational performance, citizens/customers, people and society are achieved through leadership driving strategy and planning, people, partnerships, resources and processes. The characteristics of the new CAF 2020 version are:

- Better services for the citizens: CAF initiates and leads “change” towards better performance and services of public administration.
- European Principles: CAF is a unique tool for improving public sector organizations based on common European values and principles for public management and governance.
- Common language: it allows staff and managers to discuss organizational improvement together in a constructive way and promotes dialogue.
- People involvement: the self-assessment process is the basis for the systematic involvement of people in the improvement of the organization.
- Evidence based improvement: it stimulates public sector organizations to gather and effectively use information and data.
- No external costs: CAF is available free of charge promoted by EIPA and the network of National CAF Correspondents.
- External feedback and label: CAF Feedback Actors provide recommendations for improvement of the organization and provide the label “Effective CAF User”.

**Selection of Municipalities using CAF:** Vienna (Austria), Skopje (North Macedonia), Burgas (Bulgaria), Bihać (Bosnia-Herzegovina)

More information: [www.caf-center.eu](http://www.caf-center.eu)
V Local Financial Management

The public sector is restricted by legal and budgetary frameworks. New ideas and reform attempts in the area of public service delivery struggle to overcome the big question of financing and funding. Depending on the fiscal framework of the respective country, the leeway of local public financing varies. National strategies towards fiscal decentralization can help municipalities secure public funds through increased revenue raising responsibilities. Moreover, local governments can use instruments of financial management such as public procurement which can be used as strategic levers to not only be more budget friendly but to pursue policy objectives such as boosting local economic development and citizen participation.

1 Public procurement

One of the main challenges for local authorities is lengthy and complex procurement frameworks, with excessive administrative procedures and red tape. This is at the same time a major barrier for small and medium-sized enterprises (SMEs). Thus, within the limits of (sub)national regulations, a first step is to simplify procurement as much as possible. This starts from reducing necessary paperwork, splitting contracts into smaller lots, capping the minimum turnover required for participating in a public tender and shortening of deadlines for open applications. These steps can be supported by developing joint (with other municipalities within a region) and electronic procurement processes.

A consultation of sub-national government (SNGs) on infrastructure planning and investment has furthermore identified practices, which helped the management of large investments by SNGs, the most relevant of which are:

- improved medium-termed strategic planning which connects planning and budgeting frameworks,
- increased external support for designing projects,
- improved co-operation with neighbouring local governments to favour economies of scale,
- increased stakeholder engagement at an early stage and targeting local needs based on evidence.

Procurement can also be used as an instrument to pursue wider policy goals. Goods and services can be procured which aim to reduce the environmental footprint or which incorporate social considerations. Another possibility is innovation procurement, which directs the public sector to

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8 For more information on Fiscal Decentralization in South-East Europe, see [http://www.nalas.eu/News/FD_2018](http://www.nalas.eu/News/FD_2018)
9 OECD/CoR (2015). Infrastructure planning and investment across levels of government: current challenges and possible solutions
invest in research & development of technologies aiming to tackle the challenges of today’s society. Based on the classic economic model of innovation and its diffusion, the public sector can invest in enterprises to invent, develop and diffuse innovative solutions to make it available for the mass market. This type of procurement requires long-term planning, good communication structures with the supply chain, patience and space for actors to innovate.10

2 Public-Private Partnerships

Public-private partnerships (PPP) generally refer to a cooperation between public and private actors with the aim to finance, construct, operate, or maintain infrastructure or to provide a mutual service. Risks, costs and benefits are shared within such a partnership. PPP models are based on certain principles such as using a life cycle approach of the good or service as well as optimizing risk distribution, costs and performance standards among the partners. PPP is not primarily a financing model, but rather a comprehensive, alternative organization and procurement approach by involving private businesses in the implementation of infrastructural measures.

The benefits of PPP models are seen in the long-term partnership, security in terms of planning, deadlines and costs, as well as the potential synergies from bundling various functions and the possibly greater skills of private sector institutions. Potential drawbacks are higher funding costs, transaction costs, and the risk of insolvency with private partners. To what extent the public sector has a decision power needs to be contractually specified and is definitely a challenge. Contracting such responsibilities also leads to less flexibility and less space for innovative ideas to flourish.11

The use of PPPs has decreased and are rather an option for larger jurisdictions (such as metropolitan areas and regions), as the planning, contracting and managing of such complex projects requires adequate skills and resources12. Nevertheless, PPP remains an option for implementing infrastructure projects in municipalities, and given the know-how and resources, there are different PPP models that fit different municipal investments.13

10 For more information on public procurement of innovative solutions see for example: https://www.interreg-central.eu/Content.Node/PPI2Innovate.html
12 OECD/CoR (2015). Infrastructure planning and investment across levels of government: current challenges and possible solutions
13 For more details, see the KDZ publication under the BACID programme “Public Private Partnership – Guideline based on the experiences of the Austrian municipalities” http://www.bacid.eu/Publications#Public-Private_Partnership_Guidelines_for_Local_Self-Governments
3 Citizen participation and crowdfunding

For alternative financing options on a smaller scale, municipalities can turn to their citizens. This is particularly interesting for smaller investments and is often involved with lower interest rates and an involvement of citizens in municipal government processes. Keeping in mind the national legislation in terms of banking or credit licences, there are three possible models:\(^{14}\):

- **Citizens’ credit model**
  Municipalities receive funding through direct contributions from their citizens. A crucial element is the involvement of an intermediary (e.g. financial institution), who is entitled to make credit transactions. The basic transaction is a loan, which is granted to the city through the intermediary as soon as all deposits (declarations of consent by citizens to grant credit of an appropriate amount) have been collected. Repayment is either at maturity or monthly, depending on the model. A variation of this model is the sale-and-lease-back model, where citizens purchase independent components of an infrastructure investment, and lease it back to the municipality. At the end of the period the municipality buys back the component. This model is suitable for renewable energy power plants, where singular solar panels can be financed with a low threshold for citizens.\(^ {15}\)

- **Crowdfunding-based citizens’ credit model**
  The essence of crowdfunding is to address a community with a project idea and engage them to financially support the implementation of the project. Thus, many small amounts of a ‘crowd’ can come up with the necessary financing. Municipalities can make use of existing online crowdfunding platforms to raise money from their citizens for smaller investments.

- **Citizen participation models**
  Municipalities can involve their citizens in municipal investments by founding a company or an association with citizens as shareholders. In this model, citizens have a participating interest in a company and have rights and obligations according to articles of association.

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\(^{14}\) Prorok (2017). Alternative financing with citizen participation and crowdfunding. In: The future of Europe – built on strong municipalities

\(^{15}\) See Padevetova (2013) Bürgerbeteiligungsmodelle für erneuerbare Energie, ihre Vorteile und Nachteile für die Beteiligten
These models are suitable as alternative funding sources but must bear in mind legal restrictions and contract management. This might allow municipalities to implement smaller investments where they gain ownership of their citizens and positive publicity for fostering citizen participation. Of course, these models are not suitable for any type of investment and should always involve proper legal consultation and risk management.

Transparency in municipal finances has been driven by several NGOs that analyse and visualise information on public spending. Today, many public institutions are pro-actively sharing spending data, using visualisations to make the complexity of public spending better understandable and implementing participatory budgeting projects in the spirit of letting citizens decide where their tax money should be invested. Participatory Budgeting (PB) is a way to manage public money. It is a democratic process in which community members decide how to spend part of a public budget. PB gives ordinary people real decision-making power over real money.

More information and case studies can be found at [http://www.energyfinancing.eu/images/Reports/D1.3_Case_Studies_final.pdf](http://www.energyfinancing.eu/images/Reports/D1.3_Case_Studies_final.pdf)

INSPIRING PRACTICE: Energy independent elementary school Ostrog

The Kaštel Energy Cooperative has realized the idea of the first energy independent school in cooperation with the Split-Dalmatia County, NGOs and local private companies. The idea behind this crowdfunding campaign was to use raised funds to cover preparation costs and initiate additional energy efficiency and renewable energy sources investment. 8,600 EUR were raised on a crowdfunding platform in one month, using a reward-based crowdfunding model. Split-Dalmatia County supported the project with further 37,000 EUR for hydro and thermal insulation of the roof. Further on, a solar power plant was invested while all the lights in school were replaced with LED lights - resulting in 2.5 times more light in the classrooms. Thanks to the contract with the energy supplier, the school sells its electricity surpluses to the supplier at the same price as it is buying it. Being a first Croatian crowdfunding campaign, the project met with many barriers, including very low awareness levels about crowdfunding and low use of internet among citizens. This is the main reason why the project owners, in parallel, also raised funds through traditional channels.

More information and case studies can be found at [http://www.energyfinancing.eu/images/Reports/D1.3_Case_Studies_final.pdf](http://www.energyfinancing.eu/images/Reports/D1.3_Case_Studies_final.pdf)

USEFUL TOOL

The Participatory Budgeting Scoping Toolkit is a toolkit is for officials and staff in government and institutions that are interested in launching PB processes. Its purpose is to help understand what it takes to start a PB process and how to lay a foundation for success. The guide explains how a typical PB process works, what the impacts are, what budgets can be used, what resources are needed and how to get started.

Download the toolkit here: [https://www.participatorybudgeting.org/launch-pb](https://www.participatorybudgeting.org/launch-pb)
VI References

1 Further reading

- Data.gv.at: “Cooperation OGD Austria” - https://www.data.gv.at/infos/cooperation-ogd-austria/
- KDZ: “CAF-Center” - www.caf-center.eu
- Participatory Budgeting Project - https://www.participatorybudgeting.org/

2 Literature


