



STEFAN **BATORY**
FOUNDATION



ideaForum



The Local Government Index 2023

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The Local Government Index 2023

Contents

A word from the Batory Foundation	5
What kind of recentralisation and why? Key facts	7
Why a Local Government Index – and what kind?	10
Task-financial potential	11
Political strength	19
Systemic strength	21
Summary	24
Methodological Appendix: How the Local Government Index was calculated	26

A word from the Batory Foundation

Local government is the foundation of the organisation of social and political life in Poland. Local government based on the principles of subsidiarity and decentralisation, as well as the democratic election of local authorities, is the basis of the Republic of Poland's system guaranteed by the Constitution.

The year 1989 and Poland's transition opened the way to the restoration of a territorial system based on local government. In the first fully democratic elections on 27 May 1990, Poles elected municipal councils. Local government, which has a long tradition in Poland, became a reality again. Subsequent reforms changed the details of how local government functions, but not the essence of the system: Poland is a unitary state and, at the same time, a decentralised one. Citizens form a whole – the Republic – with uniform, national law shaped at the central level. The prerogatives of national authorities are limited by the constitutional principle of subsidiarity, which entrusts the organisation of social life at the local level to local governments, made up of residents of local communities.

As a democratic principle and practice, local government has proven itself in Poland. Local authorities receive the highest recognition among public authorities and enjoy a very high level of trust, as shown by opinion polls and social research. However, residents of local communities do not hesitate to resort to a referendum to recall the mayor or local council before the end of the regular term when they lose trust in their ruler. The ballot box is also an effective tool: in each election, a significant share of councillors and mayors are replaced. Local government and the state of local democracy are sometimes the subject of lively debate, as well as criticism by the media, non-profits and initiatives such as urban movements.

The strength of local government and self-governing local communities is revealed both in everyday practice – how effectively investments are carried out and residents' needs met – and during crises, such as the COVID-19 pandemic and the aftermath of Russia's invasion of Ukraine. These moments reveal not only local agency, but also relations with central government institutions.

The experts of the Stefan Batory Foundation highlight that these relations are deteriorating. It is not just a matter of everyday practice; the unconstitutional reconstruction of the territorial system and the systematic recentralisation of the state by means of laws that deprive local governments of powers, as well as government actions that reduce the autonomy of local communities are much more dangerous. One example is the change in the structure of local budget revenues and their increasing dependence on budgetary and extra-budgetary funds controlled by the central authorities.

The Foundation's experts have repeatedly described the mechanisms of recentralisation. Specific examples and conclusions, based on an analysis of various dimensions of the functioning of local government and relationship with the central authorities raise concern and questions about the dynamics and the comprehensive nature of these relationships. The Local Government Index, a synthetic indicator that describes relations between the local and central government, based on key dimensions of local life and the functioning of local government seeks to answer these questions.

The Local Government Index was put together by a block of experts using an original method that draws on similar measurements used in other countries and in international analysis. The first edition describes the state of local government and its relationship with the central government at two points in time: now and in 2014. This enables comparison and shows the speed as well as direction of the changes. Subsequent editions will allow a systematic assessment of this sphere of life, which is of key importance for the quality of life of Polish citizens and for Polish democracy.



Edwin Bendyk

What kind of recentralisation and why?

Key facts

The Local Government Index is the first attempt to comprehensively capture the changes in the strength of local government over the past few years. It is made up of components that take into account task and financial autonomy, as well as the political strength of municipalities and cities with county rights.

Between 2014 and 2021 (just seven years!), the Index fell by almost 17 pp (from 73.58 to 56.68 points). Local government's political strength decreased the most, followed by systemic strength and, to a relatively low degree, task and financial potential.

Table 1. Local Government Index. Synthetic values

	2014	2021
Potential	33.94	30.62
Political strength	20.75	11.75
Systemic strength	18.89	14.31
Total	73.58	56.68

This change can also be seen against the backdrop of the other European countries in the analogous Local Autonomy Index (LAI) study, which was already mentioned in the introduction to this report. In 2014, the LAI indicator for Poland was among the highest in Europe. Only Switzerland and the Nordic countries – Denmark, Finland,

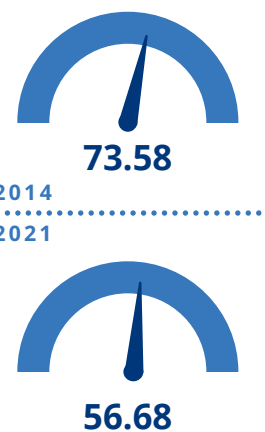
Sweden, Iceland and Norway – fared better, and only a few other European countries were close to Poland in terms of score. Poland definitely ranked above the other countries in Central and Eastern Europe (CEE). In 2020, the final year covered by the LAI study, the situation had already changed. Poland was in the middle of the ranking of European countries based on the LAI index. Within CEE broadly understood, Slovakia, Estonia, Czechia, Lithuania, Serbia, Montenegro, Bulgaria and Slovenia achieved similar (or, in some cases, even slightly higher) scores.

Task-financial potential

Competency autonomy of municipalities declined in 2014–2021, mainly as a result of small steps that deprived them of pieces of decision-making. Local governments' powers were limited in various ways, including by depriving them of the ability to set charges (for example, the Wody Polskie agency and water supply), by making spending on investment dependent on the voivode's decision (for example, healthcare), or by introducing new, specific regulations (for example, spatial planning). The biggest changes have taken place in education, where supervision by superintendents has been strengthened, and the costs of the education reform of 2017 as well as the increase in subsidies for education-related tasks from own funds have worsened the conditions in which municipalities and cities with county rights conduct education policy.

Financial autonomy of municipalities has also deteriorated during the period studied. A key example is the fall in the share of their own revenue

Local Government Index





and revenue excluding earmarked grants (shares in PIT and CIT, as well as subsidies) in total revenue. This means less freedom to shape spending priorities. This has been accompanied by an increase in budgets of government subsidy programmes. While they improve local governments' ability to perform tasks, they simultaneously reduce local communities' influence on the direction of development. Indirectly, this shows that the "creeping centralisation" of local finances has taken place without taking away a significant portion of public tasks or reducing total revenue dramatically. Fortunately, the ability of most municipalities to carry out new projects (measured by their net operating surplus) has increased. The good business climate during the period studied, which led to a nominal increase in revenue, has temporarily masked the unfavourable changes in the structure of municipalities' revenue. We are dealing with the deepening of recentralising pressure. Municipalities can use their formal autonomy in specific policy areas to the extent that their financial resources and the freedom to spend them allow it. Even if local governments have not been deprived of certain powers, their ability to use them has decreased due to the restricting of their financial freedom. Local government members of the Joint Commission of the Government and Local Government (KWRiST) emphasise that local governments' ability to carry out their tasks, as well as the scope of their autonomy, fell visibly in 2014–2021.

Political strength

Unfortunately, to a growing extent, local governments are not being treated as actors with agency. Rather than being treated as partners, clientelist relations are being strengthened and local governments are being overlooked during consultations of bills that concern them. Although the central authorities have been weakening local government in the legislative process for years, this tendency is intensifying. The KWRiST is being systemically eliminated when it comes to government draft regulations that concern local

government. In 2014–2021, the percentage of government laws concerning local government that were not sent to the KWRiST increased over fourfold. This is confirmed by the KWRiST's local government members, who say that the government is not treating them as partners, and that the "centre's" policy is unpredictable and does not foster longterm action.

The agency of local governments – visible in how subsidies from the biggest programmes financed from national funds are allocated – has weakened. Open criteria, clear and accessible scores as well as the ability to appeal against decisions have been replaced by a discretionary system, in which they cannot appeal.

Systemic strength

The quality of the government's supervision of local government is low and the situation deteriorated in 2014–2021. Supervision is overly politicised, especially at the voivode level, as confirmed by the high indicator measuring the number of so-called supervisory acts repealed by administrative courts. The situation at these courts is also cause for concern: the uncertain status of a growing number of judges has raised doubts about the extent to which local governments' autonomy is protected effectively.

Compared to 2014, the mechanism for independently checking whether legal regulations that influence the autonomy local governments are constitutional has effectively broken down. Firstly, this results from the incorrect composition of the Constitutional Tribunal, which has been questioned by the European Court of Human Rights in a ruling, among other things. Secondly, it is a result of the worrying situation at the Supreme Administrative Court (NSA), where the bench also raises doubts. This situation compounds the uncertainty of the law and undermines trust in the judiciary. Until a solution that can make amends is adopted, there are certain reservations as to how effectively the autonomy local governments can be protected in administrative courts.

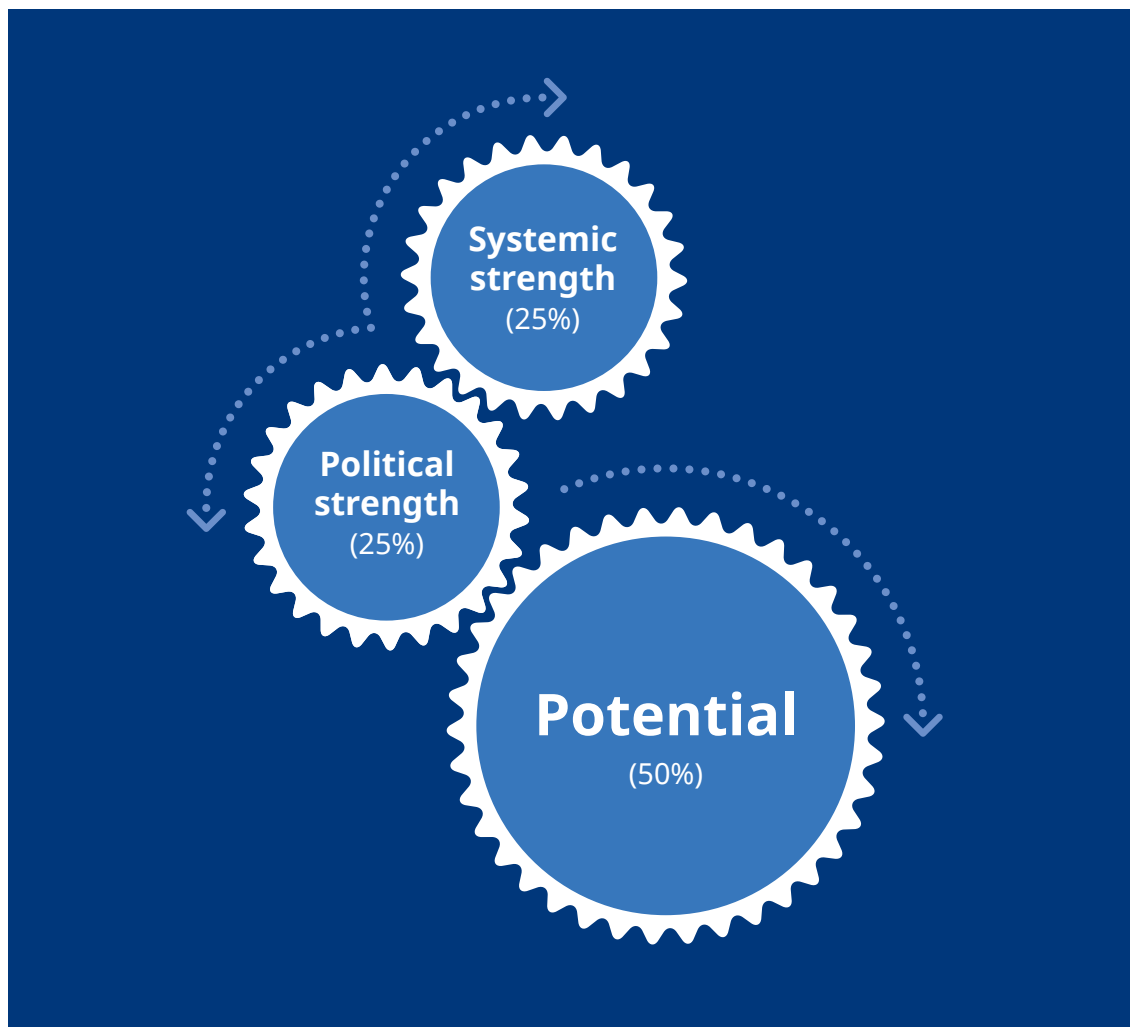
Findings

Recentralisation in Poland is a fact. Seen from a broader European perspective, this is the second time that local autonomy is being restricted in the past decade or so, though it is proceeding in a different way. In the Hungarian model, local government authorities were suddenly deprived of a significant share of their formal powers. In Poland, the strategy – described as “creeping recentralisation” – brings to mind action in velvet gloves; the gradual, step-by-step, but successive restriction of local government autonomy. Resources and powers are gradually being moved towards the government. Municipalities are becoming financially dependent on the state budget “drip”.

This is happening without local governments being deprived of a significant share of public

tasks or a dramatic fall in total revenue. On the surface, the formal changes in power are insignificant; they only have a serious impact when combined with financial restrictions. Rather than being treated as partners, local governments are increasingly being disregarded during consultations of bills that concern them, and clientelism between the government and local governments is being strengthened.

The systemic foundations of municipal local government – including the durability of the existence of power, legal personality, judicial protection, and supervision according to the criterion of legality – seem intact. Yet the mechanism ensuring the protection and constitutional guarantee of the autonomy of municipalities is being eroded.





Why a Local Government Index – and what kind?

The discussion on the strength and weakness of local government in Poland has been going on for years. It intensified after 2015, with a turn towards recentralisation in the state's policy. Its manifestations have been widely described, including in the Stefan Batory Foundation's publications. They show that, while the systemic (constitutional) foundations of local government remain, local government resources and powers are being moved towards the government administration, and the financial dependence of local governments on the government "drip" is increasing.

However, describing specific legislative changes or growing financial problems does not provide a full view of the condition of local governments. The Local Government Index presented in this report is the first attempt to comprehensively capture the changes in the strength of local governments in recent years (2014–2021). It is not the first study of the level of decentralisation, though. This work is inspired by the Local Autonomy Index (LAI) that initially covered 39 European countries and the period up to 2014, which was recently updated to include data up until 2020 and additional countries. In our study, we use a similar set of parameters of local government autonomy but, given the scope of our work, it is limited to a single country. We can, however, propose indicators that are both more detailed and adapted to Poland's specific conditions.

As in the case of the LAI, we limit ourselves to the local government level, focusing on municipal local government (including cities with county rights). This is where a fundamental share of local government tasks are concentrated (the budgets of municipalities and cities with county rights account for around 75% of all local government budgets; their share in total investment spending is similar). It is also where the idea of decentralisation as authority close to residents is expressed in the best way. Of course, this does not mean that studying local government autonomy at other levels is pointless; this could be the subject of further research.

This study compares the period right before the United Right came to power in 2015, signalling a change in the state's policy towards local government, and the year 2021, the last one for which a full set of data is available. In the next few months, the index will be updated by incorporating the data for 2022.

To measure local autonomy in a comprehensive way, we prepared three blocks of indicators:

- **Task-financial potential (50%)**

This measures the role of local governments in the key policy areas and the extent to which they have the financial resources to carry out these tasks, spending them as they please.

- **Political strength (25%)**

This measures the extent to which the central authorities treat local governments as partners with agency when creating and applying the law and central policies that influence the situation at the local level.

- **Systemic strength (25%)**

This measures whether the legal position of local governments guarantees their ability to act independently and protects them from excessive interference by the central authorities.

We consider task and financial potential the most important component of the autonomy of local governments. Political strength and systemic strength are essential, but their potential is instrumental. Even local government that is very independent in formal terms and treated as if it has agency will mean little if its tasks are extremely limited and implemented without financial freedom.

For a detailed list of indicators, see the *Methodological Appendix*. We also present them when discussing the results in each of the blocks. The indicators were analysed and calculated using various methods, primarily by analysing legal provisions, but also by using statistical data from official sources.

Task-financial potential

The main objective of local government is to provide residents with local services; that is, to carry out specific tasks left to the discretion of a given political and administrative level. This is only possible if adequate financial resources are provided. The powers of local governments are therefore directly linked to their financial strength. Both components form a functional whole. Reflecting on the scope of local autonomy, we are not only examining the scope of the tasks of local governments, but also their financial resources and freedom to shape spending policy.

Task-competence autonomy in key areas

What are we measuring?

We measure task-competence autonomy of local governments in 11 areas selected due to their significance for local communities. In each area, we checked the scope of both formal/legal and practical autonomy linked to organisational, investment, programme and staffing authority (see the description of the indicators in the *Methodological Appendix*). In effect, this component presents the real scope of task autonomy of municipalities; it shows to what extent they are limited by central guidelines or external checks/approval when carrying out important local tasks.





Table 2. Local government task and competence autonomy

Area (potential score)	2014	2021
School education (0–16)	13	10
Pre-school education (0–16)	10.4	8
Nurseries (0–16)	16	16
Healthcare (0–16)	2	1.5
Waste management (0–16)	14	14
Water supply (0–16)	16	14
Public transport (0–16)	15	15
Spatial management (0–16)	9	7.5
Culture (0–16)	15	13.125
Public safety (0–16)	7	7
Social assistance (0–16)	8.25	8.25
Total index (score)	125.65 points out of 176	114.375 points out of 176
Total index (percentage of possible points)	71.4%	65.0%

Key findings

In over half of the 11 areas covered by the analysis, we observed a decrease in local autonomy. In the other five, there were no major changes. Local governments still retain a high degree of autonomy in tasks linked to childcare up to the age of three, culture, public transport and waste management (a 2013 law led to major changes in the latter, which means that our study did not capture this shift). Overall, the task-functional

autonomy index fell by over 6 pp during the period studied.

The biggest changes concerned education, where stronger supervision of local actions by superintendents was introduced in 2021. In accordance with the amendment to the Educational Law, a change concerning a network of schools must obtain a binding opinion from the superintendent, who also has a decisive voice in the selection of headmasters. Moreover, in January 2022

(that is, after the period studied), the Sejm adopted another amendment to the Education Law, which further strengthened the role of superintendents. The changes were criticised by Poland's Commissioner for Human Rights, who said that they result in the restriction of local government.

Autonomy in water supply fell significantly, too. The creation of government agency Wody Polskie, which was granted the power to set water changes, is a textbook example of camouflaged decentralisation; formally, the power remains with municipalities, like many elements shaping this policy, yet one important component has been centralised. Part of the camouflage is a strategy in which power is transferred to a newly-established organisation whose structure first needs to be examined to notice the centralisation of power, rather than to any of the ministries.

In healthcare, municipalities have seen a decrease in their autonomy, which was not very big in any case. Above all, it results from a decrease in autonomy in investments. Since 2021, the spending of medical entities established by local governments have required a positive opinion on their purposefulness.

In the case of spacial planning, the formal powers of municipalities have not changed significantly. Yet an analysis of numerous sectoral and special laws (including lex developer, the law on the Central Transport Hub, the law on Special Economic Zones, and the amendment to the law on the principles of conducting development policy) regulating specific aspects of planning and real estate management reveals many restrictions on the autonomy of local governments and points to their declining agency in planning central projects and investments. In addition, the numerous practices on the side of the central administration resulting in expropriating strategic real estate using special laws (for example, the law "on investments in the scope of the construction of the Westerplatte Museum [...] in Gdańsk") point to limited expropriation power of local governments.

Formally, the situation in culture has not changed fundamentally, as local government

has a leading and autonomous role in creating, transforming and investing in the development of local cultural institutions. The changes observed concern the margins. Firstly, the organisation of the competitions for the directors of the cultural institutions included on the Minister of Culture's special list as a result of the regulations of 2012 and 2015. Secondly, the Ministry's tendency to take over additional institutions – as institutions run with the local government or with it as the leading body – has intensified under Minister of Culture Piotr Gliński. In most cases, this happens at local governments' request, as part of the "financial rescue" of leading cultural institutions. This process polarises residents and councillors as it *de facto* limits the autonomy of local governments and power over institutions important for local identity. This is a result of the dramatic underfinancing of local cultural institutions reported by Poland's Supreme Audit Office; in particular, low salaries of their employees and dependence on ministerial subsidies, which is growing constantly, and which points to subtly camouflaged recentralisation in the cultural sphere.

No fundamental changes in the autonomy of municipalities in public safety were identified. Taking care of public order, the security of local residents, as well as protecting them from fires and floods remains part of the tasks on the part of municipalities. This does not change the fact that Police and State Fire Service activity remains the domain of the central administration, which influenced our low assessment of the autonomy of municipalities in this area overall.

We did not see any formal changes in social assistance, either. On the one hand, the formal strengthening of Social Service Centres (CUS) shows the further regulation of existing capabilities, which can be seen in categories of restricting autonomy (see the requirements linked to running CUS). However, local voices point to the increased use of the possibility explicitly mentioned by law. Taking into account the letter of the law, we have kept the indicator at the same level.



Trends



The policy of reducing the autonomy of local governments using small steps that cannot be seen or understood by laymen is a major source of concern. It is characterised by taking away fragments of the decision-making powers of local governments in areas such as waste management, healthcare, culture and spatial planning. We did not observe a fall in the “responsibility” indicator, which describes the role of local government (and its organisational units) in serving residents, in any of the policy areas examined. This means that the general structure of their powers has remained the same. Nevertheless, the summary index of task autonomy fell by over 6 pp. This is the result of the shifts in powers

identified here. Though seemingly small, they add up, restricting local autonomy significantly.



The most significant and visible restriction of local powers has taken place in education. At the same time, we must remember that the scope of local governments’ powers should be considered alongside the financial provisions for carrying out given tasks. The costs of the 2017 reform, combined with the progressive increase in subsidies for educational tasks from own sources, as pointed out by many local government officials, have made it difficult for local governments in municipalities and cities with county rights to implement education policy.



Financial autonomy

What are we measuring?

Financial potential focuses on the ability of local governments to make independent policy decisions, both in terms of tasks carried out and development plans. For this reason, three of our indicators relate to the structure of revenue, concentrating on the share of funds that local

governments can spend as they please (independently). Their ability to take on development challenges is primarily influenced by the size of their operating surplus (which indirectly reflects their comfort when carrying out ongoing tasks, too) and the regulations on the borrowing capacity of local governments. Finally, the general financial potential of local governments compared to the state as a whole is shown by the budget size of local governments as a percentage of total public spending.

Table 3. Financial potential indicators in 2014 and 2021

Indicator (potential score)	Weighted average		Municipalities		Cities with country rights	
	2014	2021	2014	2021	2014	2021
Revenue autonomy (0–2.5)	1.1	0.9	1.0	0.8	1.2	1.0
Structure of transfers (0–2.5)	2.2	1.7	2.1	1.5	2.3	2.1
Revenue without earmarked grants (0–5)	4.4	3.6	4.2	3.5	4.7	3.9
Formal borrowing capacity (0–1)	0.5	0.5	0.5	0.5	0.5	0.5
Actual borrowing capacity (0–2.5)	0.5	0.8	0.5	0.9	0.4	0.6
Share of public spending (0–2.5)	1.7	1.7	1.7	1.7	1.7	1.7
TOTAL (score: 0–16)	10.3	9.2	10.0	8.9	10.8	9.8
TOTAL (%)	64.14	57.47	62.5	55.625	67.5	61.25

Key findings

Financial autonomy was measured using six partial indicators (described in more detail in the Appendix), four of which refer directly to

measures used in the European Local Autonomy Index (LAI) mentioned in the introduction. They are:



- the share of own revenue in total revenue (0–2.5 points);
- the ratio between revenue excluding earmarked grant transfers (the purpose of which is determined by the local government, without restrictions imposed by the authority making the transfer) and total transfers (0–2.5 points);
- overall share of revenue excluding earmarked grants in total revenue (0–5 points);
- formal borrowing capacity (resulting from legal provisions) (0–1 points);
- actual borrowing capacity, measured by the net operating surplus (0–2.5 points);
- the share of local government spending in total public spending (0–2.5 points).

This means that the total financial autonomy indicator can vary from 0 to 16 points.

The share of own revenue, over which local governments have at least a minimum of authority (for example, in the form of regulating rates or granting tax relief or exemptions), in the entire budget is relatively small. It should be noted that our definition omits shares in PIT and CIT, which are included in own revenue in official statistics. We believe that, due to the lack of influence of local governments on the size of these taxes, they are part of general purpose grants from the state budget, rather than own revenue. Moreover, in both cities with county rights and municipalities, this share decreased between 2014 and 2021. This change was mainly linked to the expansion of various types of programmes based on earmarked grants for local governments, which improved their ability to implement selected projects, but reduced the ability of local communities to set local policy priorities. The share of own revenue in total revenue (excluding subsidies for commissioned tasks) in cities with county rights reached almost 38% in 2014 and less than 36% in 2021. In the case of municipalities, it decreased from 34% in 2014 to just over 30% in 2021.

When it comes to the structure of transfers (which, apart from general purpose and earmarked grants, also include shares in PIT and CIT), Poland is still dominated by insignificant transfers. Here, too, the indicator changed significantly between 2014 and 2021, with an increase in the role of earmarked grants (which local governments must spend on a specific purpose during a specific period). If we omit grants for delegated tasks, the share of insignificant transfers decreased from over 89% in 2014 to less than 87% in 2021 in the case of cities with county rights. In the case of municipalities, it fell from 85% to less than 75%. In addition to the above-mentioned expansion of programmes based on general purpose grants, this decrease was influenced by legal changes concerning PIT, which reduced in the importance of revenue from this source in the budgets of local governments.

During the period examined, the legal regulations concerning the debt of local governments did not change significantly. Local governments have the right to take on debt; the maximum amount is determined by an individual indicator defined by the law and based on objective measures, which primarily depend on the size of the operating surplus in previous years.

The net operating surplus indicator reflects not only borrowing capacity, but also the actual potential to implement new development projects. As the only indicator in the block of financial indicators that increased between 2014 and 2021, it also proved the only one higher for municipalities than for cities with county rights. In 2021, the average surplus in municipalities was close to 10% of total revenue; in cities with county rights, it was slightly over 5%. How can this be explained, given unfavourable changes in revenue structure and changes in tax regulations that deprive local governments of some of their funds? Remember that economic conditions were favourable in 2014–2021, which boosted local government revenue. Economic growth masked the effects of changes unfavourable for local governments. Tensions in budgets – caused

by changes in the PIT regulations, for instance – may only be fully revealed during a period of economic slowdown or even recession. At the same time, the differences between municipalities and cities with county rights confirm the widespread thesis that the budgets of big cities are subject to the greatest tensions. Their high income does not translate directly into greater comfort when managing a budget, as big cities perform a number of expensive tasks that most budgets in smaller municipalities do not have to cope with. A good example is the cost of public transport subsidies: in 2021, this expense was several hundred złoty per capita in Poland's biggest cities, and over a thousand in Warsaw. This is just one of the factors affecting their spending needs. Changes in PIT also had the greatest impact on the income of big cities because this formed their most important source of budget revenue.

The size of local government spending as a share of total public spending is still relatively high in Poland, compared to other countries in Europe (slightly above 31%). It is the highest in CEE, but lower than in the Nordic countries (Denmark, Sweden, Finland, Iceland and Norway); in some of them, local governments finance more than half of all public funds. The changes in this indicator between 2014 and 2021 were almost imperceptible, although the shifts for specific types of local government were interesting. During this period, the share of expenses incurred by cities with county rights decreased (from 11.1% to 10.8% of total public spending). In other municipalities, the share increased (from 13.6% to 15.3%).

Table 3 summarises the value of the financial potential indicator (financial autonomy).

Trends



In recent years, the share of own revenue and other revenue excluding earmarked grants (that local governments can spend freely) in total local government budgets has been falling systematically. This shows that they enjoy less freedom to choose their spending priorities.



The size of local government budgets as a share of total public spending has not changed. This indirectly indicates that the creeping centralisation of local finances has taken place without taking away a significant share of public tasks or a drastic fall in total income. Similarly, the legal freedom to borrow the money needed to carry out many investment tasks has not changed significantly.



The favourable economic situation has meant that – despite unfavourable changes in revenue structure (in particular, the systemic weakening of PIT revenue) – operating surplus in most local governments, expressed as a percentage of the entire budget, increased.

* * *

Of course, the financial condition of local governments is not their task *per se*, but it largely determines whether and how they can carry out their tasks. Formal autonomy when it comes to specific policies will be used (creatively) insofar as both financial resources and the freedom to spend them allow it. Unfortunately, during the period analysed, both components of the municipal autonomy index – task and financial – decreased. Moreover, financial freedom decreased slightly more – by 7 pp. Simultaneously limiting the autonomy of local governments in these two areas produces a kind of synergy effect, which compounds the recentralising pressure in a non-linear way. Even if certain powers have not been taken away from local governments, their ability to use them has fallen as a result of the reduction of their financial freedom.

A survey conducted among local government members of the KWRIST in February 2023 further sums up this section.

We asked them to what extent government bodies (central and local) treat local governments as partners when performing local government

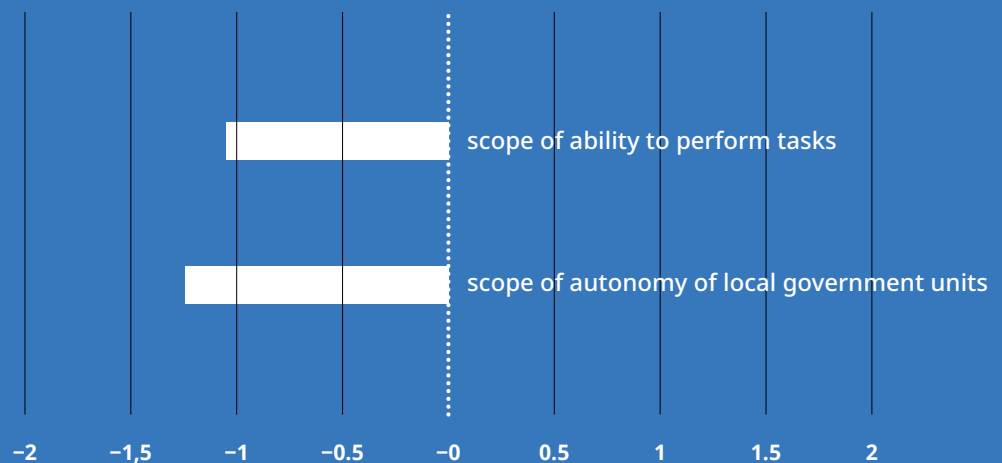


tasks, and whether the policy of the central government towards local governments is predictable and enables the long-term planning of local activities. The answers were given on a five-point scale. When it comes to local governments being treated as partners, as many as 7 out of 12 respondents chose the lowest option, another three chose low, and only one chose the answer indicating a high level of partnership. The answers concerning predictability were very similar (six respondents chose the lowest option and another four the low one).

We also asked respondents to sum up how task autonomy changed between 2014 and 2021.

We present a summary of the responses on a scale from -2 to +2, where a negative value means deterioration, and a positive value means improvement. As the chart below shows, the feelings of KWRiST members confirm the trend captured by our Index: according to most respondents the autonomy of local governments is gradually decreasing.

Chart 1. Compared to the period before 2015, have the following aspects of local government autonomy increased (+2) or decreased (-2)?



Political strength

What are we measuring?

We measure the political agency of local governments using criteria that point to a partnership with the central government. Above all, we took into account the participation of the Joint Commission of the Government and Local Government (KWRiST) in the legislative process for laws

that influence local government. An additional component, which was not included in the calculations for methodological reasons, but adds depth to our portrayal of relations between the government and local government, are the results of a survey conducted among the KWRiST's local members. Our assessment also encompasses subsidy programmes, where the criteria and decisions may promote transparency (or its opposite: discretion). For a description of the indicators, see the Methodological Appendix.

Table 4. Agency of local governments

Indicator (potential score)	2014	2021
Local government (KWRiST) is taken into account in the legislative process (0–5)	5	3
Reliability, transparency and observance of objective criteria when making decisions that are important for local government, e.g. in grant programmes (0–5)	3.3	1.7
TOTAL (score: 0–10)	8.3	4.7
TOTAL (%)	83%	47%

Key findings

The first component in this part of the index concerns the voice of local governments in the legislative process at the central level. Since the 1980s, this issue has been part of the assessment of local autonomy, as the so-called parameter of access to policies at the central level. To assess the extent to which the KWRiST's voice is disregarded when it comes to bills that concern local government, for both years, we calculated the number of laws adopted in each of the two years that: (i) received a negative opinion from the KWRiST; (ii) were not sent to the KWRiST at all, even though – as government bills concerning local government – they should have been; and (iii) were adopted as MP bills, which do not require consultations with the KWRiST. The total

index, which takes into account these three components, almost halved during the period analysed (in 2014, 12.5% of all laws concerning local government that were adopted did not take into account the KWRiST opinion; in 2021, this rate stood at 32.4%).

Yet if we look at the details, the picture is slightly more complex.

The most disturbing signal that local government is being bypassed in the legislative process is the fact that, in 2021, the percentage of government laws concerning local government adopted that were not sent to the KWRiST increased more than fourfold compared to 2014 (to 26.5% in 2021). The percentage of government bills



approved despite a negative opinion from the KWRiST remained at a similar level (and even fell by 0.4 pp). This might seem like a balance, except some of the acts introduced as MP bills were of exceptional importance for local governments.

The legislative initiatives carried out without the KWRiST, or despite a negative opinion from the side of local government include tax changes affecting the financial condition of local governments and regulations on compensation for local governments for the loss of own revenue caused by the so-called Polish Deal. Moreover, during the past two parliamentary terms, many key initiatives affecting the situation of local governments were implemented without the KWRiST, as MP bills. This was the case with the changes strengthening the powers of superintendents or introducing an obligatory participatory budget in cities with county rights.

Analysing this indicator, we are aware of its simplified nature, which results from limiting the analysis to just one calendar year. However, even this simplified legislative data is confirmed by how KWRiST members feel. We asked them to what extent the central government authorities treat local government units (LGUs) as partners when making significant legal changes that affect how they function. Answers were provided on a scale of 1 to 5 (where 1 meant the least partner-like treatment and 5 the most partner-like treatment); the average was 2.

As the second component in the indicator measuring the agency of local governments, we looked at how subsidies from large programmes financed solely from national funds are awarded. This shows how local governments are treated – as actors with agency and partners (if we are dealing with clear algorithms for awarding funds) or in a clientelistic way (if subsidies are awarded on a discretionary basis, with unspecified criteria). This parameter also belongs to the canon used to describe local autonomy in Europe. To consider programmes that meet certain criteria (see the

Methodological Annex), we had to limit ourselves to comparing the Local Government Roads Fund (and a similar programme in 2019–2022, the Government Road Reconstruction Fund) and the National Programme for the Reconstruction of Local Roads (the so-called *schetynówki*). Unfortunately, open criteria, clear and accessible scoring, as well as the possibility of appealing against the committee's decisions have been replaced by a system of discretionary decisions by officials and ministers, which cannot be appealed.

Taken as a whole, the local government agency indicator almost halved during the period analysed, from 83% to 47%.

Trends



Unfortunately, to a growing extent, local governments are not being treated as partners with agency. Based on the parameters studied, it almost halved.

It is being superseded by the strengthening of clientelistic relations and the bypassing of local governments when holding consultations about bills that concern them.



The data enables us to put forward a thesis about the unchanging propensity of the central government to bypass the local government side in the legislative process. However, this tendency has strongly intensified. The mechanisms for bypassing local governments have changed in a worrying way: in 2014, it mainly took place via the (legally permissible) MP bill route. In 2021, it was performed by breaking the rule that government bills concerning local governments must be sent to the KWRiST.

Systemic strength

What are we measuring?

We measure the systemic strength of local governments using criteria that concern the system of legal (in particular, court) protection of local government autonomy. Firstly, this includes how the supervision of local government is organised, but also how government bodies

apply this supervision in practice. Secondly, the assessment encompasses three components that relate to the legal guarantees that protect local government autonomy and their effectiveness in practice. In other words, strong constitutional and legal anchoring of local governments is not enough; it is also necessary to ensure that these guarantees are upheld by judicial authorities independent of the government. For a detailed description of the indicators, see the Methodological Appendix.

Table 5. Quality of supervision of local government

Indicator (potential score)	2014	2021
Legal formula for supervision of local government units (0–10)	3	3
Percentage of supervisory decisions by voivodes and regional accounting chambers repealed by administrative courts (0–10)	7.9	5.9
TOTAL (score: 0–20)	10.9	8.9
TOTAL (%)	54.5%	44.5%

Table 6. Effectiveness of legal protection of local government autonomy

Indicator (potential score)	2014	2021
Basic legal guarantees of autonomy (0–5)	4.5	4.5
Availability and extent of independent judicial review of supervision acts (0–5)	5	4
Availability and scope of independent constitutional review of legal acts that affect local government autonomy (0–5)	5	2
TOTAL (score: 0–16)	14.5	10.5
TOTAL (%)	96.67%	70%



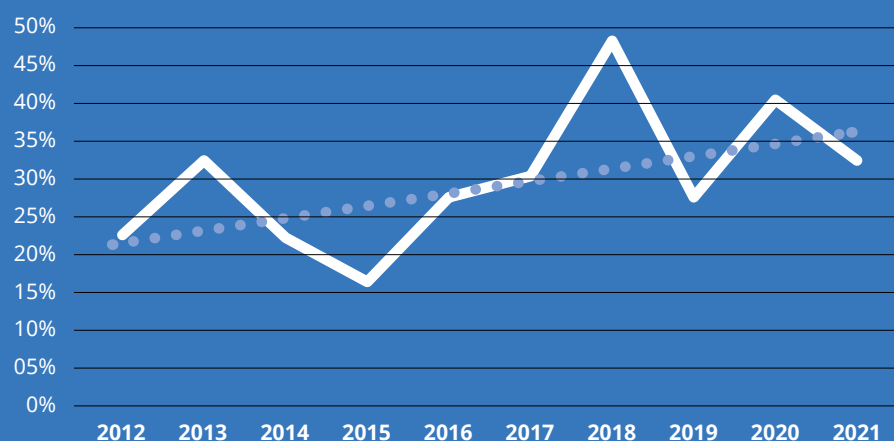
Key findings

While the model of supervising local governments by the government administration in Poland is limited to the criterion of legality, it is rather invasive, even compared to European states that are considered more centralised (such as France). This concerns the power of supervisory bodies (voivodes and regional accounting chambers) to independently repeal local government acts that they deem incompatible with the law. Although it is true that supervision acts can be appealed, the autonomy of local

governments is fostered by a model in which supervisory bodies can question the acts of local governments in court, but not independently deem them incompatible with the law.

The design problems of the existing model of supervision are compounded by how it is applied in practice. The quality of supervision, measured using an indicator that looks at the number of supervision acts repealed by administrative courts, is low. The situation deteriorated significantly after 2015 and may suggest that the supervision of local government is overly politicised.

Chart 2. Percentage of supervisory decisions by voivodes and regional accounting chambers repealed



Source: Data collected by Stanisław Zakroczyński based on reports from administrative courts

At the level of formal guarantees of autonomy, Poland stands out in Europe in terms of its constitutional regulation that not only ensures that local government authority endures at least at the municipal level, but also equips local government with the most important attributes of its autonomy, like legal personality, the legal protection of autonomy, and the above-mentioned supervision model limited to the criterion of legality.

Unfortunately, the dispute over the possibility of municipal local governments carrying out tasks beyond those clearly defined by law as their own remains unresolved. The jurisprudence

of administrative courts, including that of the Supreme Administrative Court, remains inconclusive. There are two competing approaches: 1) recognising the ability of local governments to define tasks based on the general criterion of meeting the collective needs of the community and implement them using non-imperative methods; 2) the obligation to stick to the list of tasks indicated by the law, regardless of the method of operation. Local governments therefore operate in conditions of legal uncertainty, which must result in a lower assessment.

However, the biggest problem is the condition of Poland's judiciary. Today, the Constitutional

Tribunal (CT) cannot be deemed a guarantor of constitutional autonomy of local governments that is independent from the government and the parliamentary majority. Given its unrightful composition and the broadly-documented informal contacts between the CT leadership and representatives of the ruling party, it has ceased to be independent. The situation at administrative courts remains significantly better, but here the uncertain status of the judges appointed by the so-called new National Council of the Judiciary (the “neo-KRS” in Polish) is a problem, too. The number of them at administrative courts is growing systematically. Meanwhile, as the Supreme Court emphasised in its resolution on 23 January 2020 (BSA I-4110-1/20), the presence of judges appointed by the neo-KRS on the adjudicating bench makes this composition incompatible with the law (the so-called unsuitable composition of the court).

Trends



In 2021, almost one-third of supervisory decisions by voivodes and regional accounting chambers sent to administrative courts were repealed, down from almost half in 2018. Overall, we have seen a clear deterioration in the quality of supervision measured using this indicator since 2016. During the 2011–2015 parliamentary term, the average indicator stood at 22%; in 2016–2021, it reached 34%. This makes concerns about overly politicised supervision, which results from the fact that a thoroughly political entity – the voivode – has been given chief responsibility for this task, justified.



Compared to 2014, the mechanism of independent checks on the constitutionality of legal provisions that influence the autonomy of local governments has broken down. This is above all due to the incorrect composition of the CT in December 2015, the Sejm appointed three judges to seats that had already been filled. The move's

incompatibility with the basic guarantees of the right to a fair trial was confirmed by European Court of Human Rights in its ruling on 7 May 2021 (case Xero Flor v. Poland, application no. 4907/18), among others. The Supreme Administrative Court also pointed out that: “The presence of incorrectly appointed judges in the Constitutional Tribunal’s composition means that the entire Polish Constitutional Tribunal has somehow been ‘infected’ with illegality and thereby lost its material capacity to adjudicate in accordance with the law, because there is a high degree of probability that at least one of the so-called doubler judges is on the adjudicating panel” (Supreme Administrative Court ruling on 16 November 2022, III OSK 2528/21).



Attention should also be paid to the informal contacts between the CT leadership (especially its president, Julia Przyłębska) with representatives of the ruling party, which has been widely documented in the media, the presence of recently active politicians from this party, and the serious doubts about the appointment of the CT president. All these factors mean that the CT cannot be considered a real guarantor of an independent constitutional review, even though, in formal terms, the powers of local government units to initiate the constitutional review of legal provisions have not been limited. The situation in the administrative judiciary, which is the pillar of the judicial protection of the autonomy of local governments, is also a source of growing concern.

According to the data of National Association of Administrative Court Judges around 30% of the judges at the Supreme Administrative Court were appointed at the request of the so-called neo-KRS. Without commenting on the independence of individual judges it should be emphasised that this situation compounds the legal uncertainty and undermines trust in the judiciary. Until a solution that can make amends is adopted, concerns remain about the extent to which the autonomy of local governments is protected in administrative courts.



Summary

This report illustrates the alarming process of recentralisation in Poland, which affects various areas of local government.

The Local Government Index is the first attempt to comprehensively capture the changes in the strength of local government in recent years (2014–2021). Between 2014 and 2021, the Index fell by almost 17 pp (from 73.6 to 56.7 points). The sharpest drop was recorded in the political power of local governments, followed by systemic power and, to a relatively limited extent, task and financial potential. While the systemic (constitutional) foundations of local government have been preserved, there are many examples of the progressive shifting of the resources and powers of local governments to the government administration, as well as of the growing financial dependence of local governments on the government “drip”.

Task-financial potential

- Local autonomy fell in more than half the 11 categories.
 - The delegation of the power to set the level of water charges to government agency Wody Polskie is an example of camouflaged recentralisation in water supply.
 - The biggest change took place in education, due to the education reform, which has burdened local governments, and stronger supervision by superintendents.
 - In the health category, the autonomy of municipalities has decreased due to their reduced ability to make independent decisions on investments.
 - In the case of spatial planning, local autonomy in spatial management is gradually being eroded by numerous sectoral and special acts.
- As to nurseries, public safety, waste management and public transport, the situation remains stable.
- The share of local government spending in total public spending in Poland is relatively high and has not changed significantly, but the share of own revenues in the budgets of local governments has decreased. The expansion of subsidy programmes has largely made up for the weakening of their own revenue base (as a result of tax reforms, among other things), but it has reduced the ability of local communities to shape local policy priorities.

Political strength

- There has been an alarming decrease in the role of local governments in the legislative process and in transparency when granting subsidies from national funds.
- The voice of the Joint Committee of Government and Local Government (KWRiST) is increasingly ignored when adopting laws that concern local government.
 - The percentage of government bills concerning local government adopted in 2014 without being sent to the KWRiST increased more than fourfold compared to 2014.
 - The percentage of government bills approved despite a negative opinion from the KWRiST remained at a similar level.
 - The percentage of bills concerning local government submitted as MP bills almost halved during the period analysed. However, these laws were very important for the functioning of local government.
- The way in which subsidies from large programmes financed using government funds are awarded points to a shift away from transparent assessment criteria and appeal procedures, towards clientelism and discretionary decisions by officials authorised by the law.

Systemic strength

- Although it is based on the criterion of legality, the Polish model of supervising local governments by the central government administration is invasive and more restrictive than in certain other European countries.
- The quality of supervision – measured by the rate at which supervision acts are repealed by administrative courts – is low and has deteriorated since 2015, which may indicate that the supervision of local government has become overly politicised.
- Despite the constitutional provision on the open list of the tasks of local governments there is no unambiguous regulation on the tasks of local governments beyond the sphere defined by the law. As a result, local governments operate in conditions of legal uncertainty.
- The biggest problem is the state of the judiciary. The autonomy of the Constitutional Tribunal is being questioned due to its unrightful staffing and relations with the ruling party.



Methodological Appendix: How the Local Government Index was calculated

The Local Government Index is made up of several thematic blocks, each consisting of several variables (measures). The LGI's total value is the weighted sum of the indicators each of the blocks:

- Potential – weight: 50% (this block has two parts: (i) task and competence autonomy – weight: 25% and (ii) financial autonomy – weight: 25%);
- Political strength – weight: 25%;
- Systemic strength – weight: 25% (this block is made up of: (i) the quality of the supervision of local government – weight: 12.5% and (ii) the effectiveness of the legal protection of local government units – weight: 12.5%).

The LGI's total value can range from 0 (a complete lack of local government autonomy) to 100 (a maximum score for each of the indicators).

Each indicator is assigned a score. The sum of the scores in each block is recalculated ("scaled") so that it corresponds to the block's weight, as specified above.

In the index, we focus on local government; that is, the municipality and county levels. When analysing their powers, we take into account the sum

of the power of municipalities and counties to perform a given task. When analysing financial autonomy, we take into account the data on their budgets. The final value of the partial indices is the sum of the indicators calculated for municipalities and cities with county rights, weighted by their number of inhabitants.

The version of the LGI presented here describes the situation at the end of 2021 (when it was calculated, full data on the implementation of the budget in 2022 was not yet available). To show how the situation has changed, we also present the LGI value in 2014. The list of measures and the method used to calculate them were the same in 2014 and 2021. The plan is for the indicators to be updated at least once a year in the future.

In cases where data from just one year could contain temporary, random fluctuations, we use averages from a longer period (for example, three years in the case of the net budget operating surplus ratio, or entire parliamentary terms in the case of certain variables that illustrate political and systemic power).

The individual indicators and the criteria used to award points are presented in the tables below.

Table 7. Task and competence autonomy

Component	INDICATOR	Score
1. TASK AND COMPETENCE AUTONOMY in key areas – autonomy test (experts' assessment of each of the criteria on a scale of 0–2)	SCHOOL EDUCATION	
	1) Responsibility – through its organisational units, local government plays a leading role in serving residents	0–2
	2) Organisational autonomy – the ability to shape the network of educational institutions independently	0–2
	3) Staffing autonomy – no central government influence on the staffing of educational institutions	0–2
	4) Programme autonomy – the ability of local government educational institutions to programme and plan their operations without imperious interference by government bodies	0–2
	5) Investment autonomy – the ability to plan and implement investments without requiring prior consent from government bodies	0–2
	PRESCHOOL EDUCATION	
	1) Responsibility – through its organisational units, local government plays a leading role in serving residents	0–2
	2) Organisational autonomy – the ability to shape the network of units independently	0–1.6
	3) Staffing autonomy – no central government influence on the staffing of units	0–1.6
	4) Programme autonomy – the ability of local government units to programme and plan their operations without imperious interference by government bodies	0–1.6
	5) Investment autonomy – the ability to plan and implement investments without requiring prior consent from government bodies	0–1.6
	6) Regulatory autonomy – setting charges	0–1.6
	NURSERIES	
	1) Responsibility – through its organisational units, local government plays a leading role in serving residents	0–2
	2) Organisational autonomy – the ability to shape the network of units independently	0–1.6
	3) Staffing autonomy – no central government influence on the staffing of units	0–1.6
	4) Programme autonomy – the ability of local government units to programme and plan their operations without imperious interference by government bodies	0–1.6
5) Investment autonomy – the ability to plan and implement investments without requiring prior consent from government bodies	0–1.6	
6) Regulatory autonomy – setting charges	0–1.6	



Component	INDICATOR	Score
	HEALTHCARE	
	1) Responsibility – through its organisational units, local government plays a leading role in serving residents	0–2
	2) Organisational autonomy – the ability to establish/transform medical entities independently	0–2
	3) Staffing autonomy – no central government influence on the staffing of local government medical entities	0–2
	4) Programme autonomy – the ability of local government medical entities to programme and plan their operations without imperious interference by government bodies	0–2
	5) Investment autonomy – the ability to plan and implement investments without requiring prior consent from government bodies	0–2
	WASTE MANAGEMENT	
	1) Responsibility – through its organisational units, local government plays a leading role in serving residents	0–2
	2) Organisational autonomy – the ability to decide on the organisational form in which tasks are carried out independently (municipal company, budgetary enterprise, outsourcing to private or NGO sector)	0–2
	3) Staffing autonomy – no central government influence on the staffing of municipal service providers	0–2
	4) Investment autonomy – the ability to plan and implement investments without requiring prior consent from government bodies	0–2
	5) Regulatory autonomy – autonomy in setting basic service parameters, such as prices and standards	0–2
	WATER SUPPLY	
	1) Responsibility – through its organisational units, local government plays a leading role in serving residents	0–2
	2) Organisational autonomy – the ability to decide on the organisational form in which tasks are carried out independently (municipal company, budgetary enterprise, outsourcing to private or NGO sector)	0–2
3) Staffing autonomy – no central government influence on the staffing of municipal service providers	0–2	
4) Investment autonomy – the ability to plan and implement investments without requiring prior consent from government bodies	0–2	
5) Regulatory autonomy – autonomy in setting basic service parameters, such as prices and standards	0–2	

Component	INDICATOR	Score
	PUBLIC TRANSPORT	
	1) Responsibility – through its organisational units, local government plays a leading role in serving residents	0–2
	2) Organisational autonomy – the ability to decide on the organisational form in which tasks are carried out independently (municipal company, budgetary enterprise, outsourcing to private or NGO sector)	0–2
	3) Staffing autonomy – no central government influence on the staffing of municipal service providers	0–2
	4) Investment autonomy – the ability to plan and implement investments without requiring prior consent from government bodies	0–2
	5) Regulatory autonomy – autonomy in setting basic service parameters, such as prices and standards	0–2
	SPATIAL MANAGEMENT	
	1) General spatial authority – the ability to independently regulate the use of real estate in the entire area	0–2
	2) Individual spatial authority – the power to issue individual acts concerning the use of real estate	0–2
	3) Central planning as partners – local government has agency in the implementation of central investments and projects (procedural guarantees of LGU participation in planning – in the general regulations and in special laws)	0–2
	4) Expropriation authority – the ability to expropriate for the needs of local government public investments and the power to carry out this process	0–2
	5) Financial authority – the ability to impose and collect fees in connection with real estate management	0–2
	CULTURE	
	1) Responsibility – through its organisational units, local government plays a leading role in serving residents	0–2
	2) Organisational autonomy – the ability to establish/transform cultural institutions independently	0–2
	3) Staffing autonomy – no central government influence of the staffing of local government cultural institutions	0–2
	4) Programme autonomy – the ability of local government cultural institutions to programme and plan their operations without imperious interference by government bodies	0–2
	5) Programme autonomy – the ability to plan and implement investments without requiring prior consent from government bodies	0–2



Component	INDICATOR	Score
	PUBLIC SAFETY	
	1) Responsibility – through its organisational units, local government plays a leading role in serving residents	0–2
	2) Organisational autonomy – the ability to establish/transform institutions responsible for public safety (the police, the uniformed services) independently	0–2
	3) Staffing autonomy – no central government influence of the staffing of public safety institutions	0–2
	4) Programme autonomy – the ability of local government public safety institutions to programme and plan their operations without imperious interference by government bodies	0–2
	5) Investment autonomy – the ability to plan and implement investments without requiring prior consent from government bodies	0–2
	SOCIAL ASSISTANCE	
	1) Responsibility – through its organisational units, local government plays a leading role in serving residents	0–2
	2) Organisational autonomy – the ability to establish/transform social assistance institutions independently	0–2
	3) Staffing autonomy – no central government influence of the staffing of local government social assistance institutions	0–2
4) Programme autonomy – the ability of local government social assistance institutions to programme and plan their operations without imperious interference by government bodies	0–2	
5) Investment autonomy – the ability to plan and implement investments without requiring prior consent from government bodies	0–2	
2. FINANCIAL AUTONOMY (the score is assigned based on the percentage calculated, see column III; the exception is 2.4, for which experts provided an assessments on a scale of 0–1)	REVENUE AUTONOMY	
	Percentage share of “real own revenue” (from taxes and charges, from assets) – that is, where LGUs have the authority to decide on the tax base or tax rate – in total revenue (minus subsidies for earmarked grants)	Up to 15% – 0 25% – 0.5 35% – 1 45% – 1.5 60% – 2 Above 70% – 2.5
	STRUCTURE OF TRANSFERS	
	Percentage of transfers allocated according to the statutory formula in total remaining revenues (minus earmarked grants)	Up to 30% – 0 50% – 0.5 65% – 1 75% – 1.5 85% – 2 Above 95% – 2.5

Component	INDICATOR	Score
	<p>SPENDING AUTONOMY</p> <p>Percentage share of revenues from own sources, shares in central government taxes and general purpose grants in total revenues</p>	<p>Up to 30% – 0</p> <p>45% – 1</p> <p>55% – 2</p> <p>65% – 3</p> <p>75% – 4</p> <p>Above 85% – 5</p>
	<p>FORMAL BORROWING CAPACITY</p> <p>Scope of statutory debt and deficit limits</p> <p>a. LGU inability of to incur liabilities on their own</p> <p>b. borrowing capacity limited by law</p> <p>c. no limitations on borrowing capacity</p>	<p>(0–1 pp)</p> <p>0</p> <p>0,5</p> <p>1</p>
	<p>ACTUAL BORROWING CAPACITY</p> <p>Net operating surplus as a percentage of total budgetary revenue</p>	<p>Deficit (lack of surplus) – 0</p> <p>5% – 0.5</p> <p>10% – 1</p> <p>15% – 1.5</p> <p>20% – 2</p> <p>Above 25% – 2.5</p>
	<p>LOCAL GOVERNMENT'S SHARE IN TOTAL PUBLIC SPENDING</p>	<p>Up to 15% – 0</p> <p>20% – 0.5</p> <p>25% – 1</p> <p>30% – 1.5</p> <p>35% – 2</p> <p>Above 40% – 2.5</p>



Table 8. Political strength

Component	INDICATOR	Score
3. AGENCY OF LOCAL GOVERNMENT IN PUBLIC POLICY	TAKING LOCAL GOVERNMENT (KWRIST) INTO ACCOUNT DURING THE LEGISLATIVE PROCESS Laws passed as MP bills, as government drafts not sent off to the KWRIST for consultations, or with a negative opinion from the KWRIST as a percentage of all the laws passed	Up to 20% – 5 27.5% – 4 35% – 3 42.5% – 2 50% – 1 Above 62.5% – 0
	RELIABILITY, TRANSPARENCY AND MAINTENANCE OF OBJECTIVE CRITERIA when making decisions that are important for local government; for example, in subsidy programmes 1) Recruitment in an open procedure without discriminatory access criteria 2) Availability of results with a detailed score and where the assessment for each criterion is justified 3) Availability of an independent appeal procedure	Score for each of the criteria 0–2.5 0–1.25 0–1.25

Table 9. Systemic strength

Component	INDICATOR	Score
4. QUALITY OF LGU SUPERVISION	LEGAL FORMULA OF SUPERVISION OF LGUS a. LGU acts only become effective after they are approved by the supervisory authority b. Preventive supervision: the supervisory authority has the power to independently repeal LGU acts c. Post-supervision: the supervisory authority can only challenge LGU acts in court	0 3 10
	PERCENTAGE OF SUPERVISORY DECISIONS (total: voivodes and regional accounting chambers) repealed by administrative courts	Up to 10% – 10 15% – 9 20% – 8 25% – 7 30% – 6 35% – 5 40% – 4 45% – 3 50% – 2 55% – 1 Above 60% – 0

Component	INDICATOR	Score
5. EFFECTIVENESS OF LEGAL PROTECTION OF LGU AUTONOMY	FUNDAMENTAL LEGAL GUARANTEES OF AUTONOMY 1) Legal personality 2) Possibility to undertake tasks that go beyond those clearly assigned by the act 3) External supervision limited to the criterion of legality 4) Competences for law-making activity within the framework of statutory authorisations 5) Autonomy when electing bodies	For each criterion: 2 – guaranteed at the constitutional level 1 – guaranteed at the statutory level 0 – lack of constitutional and statutory guarantees
	AVAILABILITY AND SCOPE OF INDEPENDENT JUDICIAL REVIEW OF SUPERVISION ACTS a. inability to initiate judicial review of supervision acts b. judicial review of supervisory acts is formally guaranteed, but the courts do not meet the basic criteria of autonomy c. judicial review is carried out by an independent court	0–5
	AVAILABILITY AND SCOPE OF INDEPENDENT CONSTITUTIONAL REVIEW OF LEGAL ACTS AFFECTING LGU AUTONOMY a. inability to launch constitutional review of legal acts affecting LGU autonomy b. judicial review of supervision acts is formally guaranteed, but the constitutional court does not meet the basic criteria of autonomy c. constitutional review is carried out by an independent constitutional court	0–5

The Local Government Index examines a variety of aspects of the reality that constitutes the framework for the functioning of local government in Poland. For these different aspects, we had to use measures of a different nature. This can be seen in the description of the index's structure. Some components were assessed on a qualitative scale of a), b) and c); the number in column 3 (the "score") describes their intensity. For other indicators, we examined several different aspects. For example, when assessing local autonomy

in school education, we considered formal authority as well as organisational, investment, staffing and programme autonomy. Each of these aspects (numbered from 1 to 5 or 6 in column 2, "indicator") was assigned a separate number that reflects the level of autonomy, according to the experts. For this reason, different types of bullets appear in column 2: numbers (if the elements of the assessment were independent from one another) or letters (if they were alternatives).

The idea to develop and define a Local Government Index is excellent. If the downward trends in the indicators of political and systemic power of the local government are not halted and reversed, their still relatively stable situation in financial and task potential will not be of much importance. Political autonomy determines the tasks a municipality undertakes and what it spends its funds on. Limiting political autonomy is the death of self-government, even with a pile of cash in the background. Local government is a power structure, not an economic entity. Unless the trends described in the Local Government Index change, the prospects for local government in Poland do not look good.

Professor Iwona Sagan

The Local Government Index presented here can be metaphorically compared to a canary in a coal mine. Reading symptoms imperceptible for people, it warned of an impending threat. The authors of the report point out that local government autonomy is being curtailed in "velvet gloves", in a way completely invisible to ordinary citizens. The Local Government Index enables us to see the erosion of the foundations of local government in Poland, warning of the approaching disaster. A disaster, because the collapse of local government is the inevitable end of liberal democracy and civil society, but especially a sharp fall in quality of life, because local governments provide citizens with basic services.

Associate Professor Paweł Kubicki