

## Governance Committee

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### Good Governance in Metropolitan areas

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1 L: Chamber of Local Authorities / R: Chamber of Regions  
EPP/CCE: European People's Party Group in the Congress  
SOC: Socialist Group  
ILDG: Independent Liberal and Democratic Group  
ECR: European Conservatives and Reformists Group  
NR: Not registered

## PRELIMINARY DRAFT RESOLUTION

1. Metropolitan areas are becoming an increasingly important feature of Europe's urban landscape and an increasingly dominant force in terms of political, economic and cultural activities, engines of development and economic success.
2. The governance of these areas is also undergoing rapid change, with an increasing role being played by non-governmental and non-elected actors. Complex partnerships are emerging, involving actors from several tiers of government as well as the business sector. These changes are bringing new challenges to traditional forms of representative democracy.
3. While some metropolitan areas are seeing dynamic new forms of participation and political accountability develop, others are suffering an increasing democratic deficit, with a shift of power and decision-making away from the politicians and a growing roll back of decentralised democracy.
4. ICTs and new media are providing new opportunities to the elected representatives of these areas and enabling new forms of transparency and accountability.
5. The Congress therefore, considering:
  - a. The Council of Europe Reference Framework for Regional Democracy (2002);
  - b. Congress Recommendation 188 (2006) on good governance in European metropolitan areas;
  - c. The European Urban Charter (1992);
  - d. The Congress European Urban Charter II: manifesto for a new urbanity (2008);
  - e. Parliamentary Assembly Resolution 1964 (2013) on the good governance of large metropolises;
6. Observing that the rapid development of metropolitan areas in Europe is resulting in an increasing divergence of models of governance, with variations within and between countries ;
7. Concerned that the political development and governance of metropolitan areas is not always proceeding in optimal conditions, with appropriate political structures and dialogue with relevant stakeholders;
8. Affirming that the development of metropolitan areas should take the form of an organic evolution decided and agreed by local partners and not imposed by central governments;
9. Convinced that the creation of metropolitan governance structures should not be used as a pretext to recentralise competences and powers;
10. Believing that all new governance structures should be democratically accountable and not involve any erosion of local democracy;
11. Reaffirming that a clear division of competences is a prerequisite for effective governance;
12. Commits itself to:
  - a. supporting and encouraging the establishment of appropriate multilevel political structures in order to enable metropolitan areas to be governed effectively with maximum political accountability, while respecting the principle of subsidiarity;
  - b. encouraging local stakeholders in metropolitan areas to work together, with a genuine commitment to cooperation based on the recognition of common interests;
  - c. continuing to work to improve the quality of governance of metropolitan areas;

13. Calls on local authorities in metropolitan areas to work together to ensure a clear division of labour, tasks and responsibilities between:
  - a. the metropolitan area and its components;
  - b. the mayor and councillors of the metropolitan area and the mayors and councillors of the component municipalities;
14. Calls on local authorities in metropolitan areas to work together with local authorities in metropolitan hinterlands to ensure their cohesive development in terms of the provision of public services and ;
15. Invites associations of local and regional authorities to:
  - a. support metropolitan areas in their development of innovative and appropriate forms of governance that respect the principle of subsidiarity;
  - b. foster the use of local and regional media to promote transparency, accountability and a sense of collective identity in metropolitan areas;
16. Invites metropolitan authorities to:
  - a. establish partnerships with chambers of commerce, professional organizations, private economic actors and civil society organisations, in order to ensure harmonious development of the metropolitan area;
  - b. develop metropolitan-wide planning, involving all relevant stakeholders and levels of government;
  - c. provide a clear division of tasks, responsibilities and power in decision-making between and within different institutions, with responsibilities being attributed according to the principle of subsidiarity;
  - d. guarantee democratic accountability and legitimacy through direct elections of the metropolitan bodies or by appointment of the elected representatives from the component local governments;
  - e. increase the transparency of the decision-making processes through online access to public information and communication strategies using a variety of media formats to inform the public ;
  - f. work together to develop new forms of accountability and citizen participation.

## PRELIMINARY DRAFT RECOMMENDATION

1. The growth of metropolitan areas has been a striking feature of urbanisation in recent decades. Across Europe, these areas are increasingly becoming the centre of political, economic and cultural activity, acting as engines of development and economic success.
2. This growth is typically accompanied by rapid development of the rural hinterlands of metropolitan areas, as people move out of the city in search of more affordable housing and better quality of life.
3. As metropolitan areas become indispensable economic actors, characterised by their dynamic and cosmopolitan nature, they are raising important issues with regard to the territorial dimension of democracy and their ability to ensure that they remain responsive to the needs of their citizens.
4. The complex and multilayered nature of the governance of metropolitan areas is a growing challenge to representative democracy and requires new models forms of territorial leadership.
5. The Congress therefore, considering:
  - a. The Council of Europe Reference Framework for Regional Democracy (2002);
  - b. Congress Recommendation 188 (2006) on good governance in European metropolitan areas;
  - c. The European Urban Charter (1992);
  - d. The Congress European Urban Charter II: manifesto for a new urbanity (2008);
  - e. Parliamentary Assembly Resolution 1964 (2013) on the good governance of large metropolises;
6. Observing that metropolitan governance in Europe is developing on an extremely diverse basis, with variations both within and between countries;
7. Concerned that the political development and governance of metropolitan areas is not always proceeding in optimal conditions, with appropriate political structures and dialogue with relevant stakeholders;
8. Concerned that the creation of metropolitan governance structures is sometimes used as a tool to recentralise competences and powers;
9. Concerned that the development of metropolitan areas may result in a reduction in the transparency of government decision-making processes;
10. Convinced that the boundaries and political structures of metropolitan areas must be developed in the framework of consultations and political dialogue with all local stakeholders;
11. Reaffirming that all governance structures are should be democratically accountable and that the creation of any new structures should not result in a reduction in local democracy;
12. Asks the Committee of Ministers:
  - a. to consider drafting guidelines for the creation and the management of governance structures of metropolitan areas, in view of the need to ensure proper accountability, transparency, consultation, political dialogue and citizen participation;
  - b. to invite Member States to consider drafting guidelines for the cohesive development of their metropolitan hinterlands;
  - c. to encourage Member States to facilitate the development of appropriate multilevel governance structures for metropolitan areas, with clearly defined competences for the different actors concerned.

**DRAFT EXPLANATORY MEMORANDUM<sup>2</sup>****Table of contents:**

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**I. Europe's changing urban landscape**

1. For almost 1000 years cities have been at the heart of European civilisation. They have developed as a distinctive urban model. Compact places of commerce and trade; crafts and skills; later, home to new industry and science. And always the meeting place for argument and debate; on occasion for rebellion and revolution.

2. The last half of the 20<sup>th</sup> century saw dramatic changes to cities across Europe. Undoubtedly, for a period after the Second World War cities lost their glamour and appeal. In many cases their populations fell. With the end of the era of mass manufacturing in the last quarter of the 20<sup>th</sup> century many of Europe's large cities and urban areas experienced a period of sharp decline, high unemployment and social disruption. The big engineering factories, car and steel plants, shipyards and other heavy industrial processes which had both dominated the urban landscape and shaped their culture fell idle. The frequent media portrayal of cities and urban life more generally became overwhelmingly negative: a picture of dereliction and decay.

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<sup>2</sup> The rapporteur would like to thank Jon Bloomfield, Honorary Research Fellow, Institute of Local Government Studies, University of Birmingham, for his contribution to this report.

3. Today, the picture is shifting again. There is evidence of a turn-around in many, if not all, of Europe's cities. Alongside the decline, the last three decades have also been a period of revitalisation and renewal. In many urban areas old industrial premises have been either cleared or cleaned with new economic activities related to the service and knowledge economy taking their place. Financial and professional services have grown; IT companies mushroomed; and a wide range of creative industry companies in fields as varied as design, digital media, advertising and promotions become established. As cities have adjusted to the new economic conditions, so they have grown in confidence. On occasion, landmark public projects have acted as flagships for this urban transformation: the Olympics in Barcelona led the way; followed by the Guggenheim museum in Bilbao; the Oresund bridge linking Copenhagen and Malmo; while across both large and medium-sized French cities the belief in the value of the urban environment has been demonstrated by the sustained investment in modern tramways, frequently cutting across municipal boundaries.

4. This renewed confidence is reflected in both a changing intellectual climate and altered media perceptions. In contemporary Europe the attractiveness, dynamism and cosmopolitan nature of cities is often stressed. The difficulties and challenges facing all Europe's urban areas remain vast. But undoubtedly, major changes are afoot. In many places, the population drift away from cities has been halted – or even reversed.

5. Currently, overall, in the EU two out of five citizens live in a city with a centre of at least 50,000 inhabitants and one out of five lives in a commuting zone of these cities. Together about three out of five residents live in a city or a commuting zone (or Larger Urban Zone). This share varies substantially between countries. Following this definition, Slovakia and Romania have the lowest shares of their population living in a city or its commuting zone (33 % and 38 %). Germany, the UK and the Netherlands have the highest shares of population living in a city or commuting zone (73-74 %).<sup>3</sup>

## II. The emerging conurbations: Europe's metropolitan regions

6. Within this general picture one distinctive trend has been the rising significance of the urban conglomeration, commonly known as the city region or metropolitan region. This has been increasingly acknowledged by senior politicians. As UK Chancellor George Osborne recently expressed it,

“In a modern, knowledge-based economy city size matters like never before. In the nineteenth and twentieth centuries, a factory would be located where you could find raw materials, power, and cheap labour. Today, in a services based economy, what investors are looking for is not a river to dam, but access to a deep pool of human capital. There is a powerful correlation between the size of a city and the productivity of its inhabitants. The top 600 cities in the world contain just 20% of global population but create 60% of global GDP. Not so long ago, people thought that the internet might make physical location less important. But it seems in the modern knowledge economy businesses and entrepreneurial types want to flock together more than ever. To form clusters where they can learn from and spark off each other.”<sup>4</sup>

7. This topic is generating its own extensive academic literature and debate. This paper follows broadly the approach of the Organisation for Economic Cooperation and Development (OECD) and defines metropolitan areas as functional urban areas with at least 500,000 inhabitants.<sup>5</sup> The functional urban area is defined by two key characteristics: it is an urban agglomeration with a continuously built-up urban core and surrounding areas; and its limits are determined by the share of the inhabitants that commute from the surrounding areas into the urban core. This density of the travel to work area is the crucial characteristic of a metropolitan area and thereby confirms that economic activity is the key determinant of a metropolitan region. It is the glue which binds a conurbation together. The precise relationship between the core city and its surrounding urban areas is of crucial importance. The total population in continuous urban areas in Europe is on average 70% higher than the population within the administrative boundaries of the city itself. For the functional urban areas based on travel-to-work relationships the proportion is even larger, with an average of 2.3 times the population of the core city.

3 See Lewis Dijkstra and Hugo Poelman. Cities in Europe: the new OECD Definition. Page 6.

4 Speech by UK Chancellor George Osborne 23 June 2014 <https://www.gov.uk/government/speeches/chancellor-we-need-a-northern-powerhouse>

5 See R. Ahrend, C. Gamper and A. Schumann (2014), The OECD Metropolitan Governance Survey: A Quantitative Description of Governance Structures in large Urban Agglomerations. Page 6.

8. Across Europe, on the OECD definition, 24 of the 28 EU Member States have at least one metropolitan area, with only Cyprus, Malta, Luxembourg and Slovenia failing to meet the criteria. In addition, three European countries outside the EU, namely Norway, Switzerland and Turkey have metropolitan areas. The most significant concentrations of metropolitan areas are found in Germany (24), the UK (16), Italy (13), France 12, Spain and Poland (11) and Turkey (10). While every capital city in these twenty four Member States qualifies as a metropolitan area, 'the metro' is a phenomenon that extends far beyond capitals. While statistical variations and national differences make precision difficult, on a cautious estimate there are more than one hundred and thirty conurbations that meet these defining criteria across Europe. In total more than 200 million people live in these metropolitan areas accounting for more than one third of the overall population.

9. This appears to be a growing trend. The on-going shift in population away from the land and rural occupations is well known. The changing nature of work with more office and tertiary occupations appeared initially to disperse people away from the classic industrial towns. Increasingly, it seems that the new models of economic growth look for clusters of activity and interactive networks, which combined with longer distance commuting is helping to reconfigure economic activity towards larger conglomerations. Also, these economic activities rely on the support of often low income service jobs in catering, security, care and transport often filled by migrants and newcomers who are an increasing feature of most, larger European conurbations. While a number of the classic, middle-sized former manufacturing cities continue to stagnate, these trends are leading to a rise in the overall population levels in urban areas, broadly defined. This phenomenon appears likely to continue and will inevitably influence the structures of local government and the weight of cities and metropolitan regions within them.

### **III. The Governance of metropolitan areas**

10. Local and regional governments have deep roots across Europe. Their evolution has been closely entwined with the movements for democratic reform, the right to vote and popular sovereignty. In a number of countries, the rights of local authorities are enshrined in constitutional provisions granted following the revolutions that swept Europe in 1848. During the 20th century the roles and tasks of local and regional authorities grew significantly in many parts of Europe, associated with the expansion of the welfare state and the provision of additional public services. In a tumultuous era, many countries experienced periods of authoritarian, centralised rule. However, when these periods came to an end, one element of the development of democracy has always been the creation of local democratic structures. This was the case with the German Constitution in 1949; in Spain and Portugal after the collapse of the fascist dictatorships; and throughout Eastern Europe after the fall of their Stalinist regimes in 1989. Thus, at the start of the 21st century local government is well-established all over Europe and in the majority of countries there is also an elected regional element of government. In federal states such as Germany, Austria, Switzerland and Belgium this regional sphere has greater constitutional and hence political weight than in other states which operate a more unitary model.

11. It is fair to say that local and regional governments have always been evolving. Throughout this history there has been one common element: their shifting relations with central government. That tussle is a common thread. Traditionally, this is a dispute over how the 'higher' power seeks to structure its relations and impose its wishes on its subordinate, 'lower' body. (In federal states, this 'higher' role has often been assumed by the regional government.) For local government it is a matter of asserting its capacity and in many countries its constitutional rights to autonomous self-administration. The question of metropolitan regions and their governance must be set in this context.

#### **1. The key tasks for metropolitan governance**

12. So what needs to be done at the metropolitan level? A set of far-reaching economic and social changes have emerged over the past few decades, issues such as the ICT revolution and the changing nature of production and work; the impact of globalisation; the challenges of climate change; and changing transport and commuting patterns. The realities of an increasingly global economy bear down heavily on these major urban areas. They feel a growing need to lift their international profile and organise effectively in order to attract overseas investment in their financial, professional and higher skilled technological and innovation sectors. These topics influence all cities, but rarely are they confined within the official administrative boundaries of the core city. Usually, their impact spreads far beyond to the neighbouring urban and peri-urban areas. It has been in order to manage these developments that new types of supra-urban government organisation have begun to emerge in all developed countries so that political boundaries are able to respond to changing economic and social

geography. The OECD has charted these developments in twenty-one countries across four continents. An initial phase of development in the 1960s and 1970s was followed by a fallow period. But during the 1990s and the first period of this century, there has been a re-emergence and consolidation of this trend towards various types of metropolitan governance.<sup>6</sup>

13. Economic development, transportation and spatial planning are the defining issues of metropolitan governance. These are the core themes that feature most commonly in the activities of metropolitan regions, especially given the need to compete on an increasingly pan-European and global scale.<sup>7</sup> In addition issues such as waste disposal, water provision and sewerage which have significant infrastructure costs feature in a number of portfolios, as do culture, leisure and tourism which is on occasion organised as a distinct category and elsewhere is treated as a component of the economic development portfolio.

## 2. Models of metropolitan governance

14. Metropolitan governance has emerged in an *ad hoc* fashion across Europe, often with variations occurring within as well as between countries as distinctive local conditions have shaped developments. Some metros remain without any governance structure. However, the shifting socio-economic landscape means that increasingly a variety of metropolitan governance structures are emerging. In essence we can discern three basic models.

Type 1, the strong model, where elected metropolitan authorities are entrusted with specific competences to address a range of issues such as transportation, economic development, water or housing, usually with their own executive organisations and significant budgets.

Type 2, the combined model, which creates joint metropolitan bodies (combined authorities) with formalised agreements entrusted with broader local and strategic functions and powers, run by representative drawn from various levels of government (indirectly elected or appointed) usually avoiding new government layers.

Type 3, the soft model, which offers cooperation and collaboration on a voluntary basis when common support is required.

15. The rapid growth of metropolitan areas is matched by the rapid growth of their hinterlands, the rural communities situated on the periphery of the urban areas, which are increasingly being populated by workers and professionals from the city looking for affordable accommodation more space for themselves and their families. Most of these people remain dependent on the city for their employment and continue to use its amenities. This requires coordinated planning between the public authorities concerned, which is not always in evidence.

16. Given that commuting lies at the heart of the emergence of metropolitan regions and is embodied within its core definition, transportation has a special status in metropolitan governance. It is the core activity that affects all these areas and which extends far beyond the core city boundary. That is why, many conurbations which do not have any overarching metropolitan governance structures, nevertheless do have a stand-alone, sectoral transport authority. This normally covers the metropolitan area – or extends beyond it – and assumes the partial or entire responsibility for all public transport services. Sometimes these bodies work alongside an established level of metropolitan governance; sometimes they are a sectoral authority which works alone, solely on transport issues. All metropolitan areas in Spain, for example, with the exception of Zaragoza have sectoral authorities for transport that extend beyond the central city of the metropolitan area. A defining characteristic of metropolitan governance in Germany is the universal presence of regionally integrated public transport systems. Sectoral authorities for public transport exist in every urban agglomeration. They manage public transport provision across different modes of transport, provide strategic planning and coordinate pricing schemes for tickets that are valid across different modes of transport and different service providers. Typically, the sectoral authorities cover at least the full extent of the metropolitan area, but in some cases reach significantly beyond their borders. The following sections give an indication of the prevalence of these different models.

<sup>6</sup> See R. Ahrend and A. Schumann (2014), *Approaches to Metropolitan Area Governance: A Country Overview*.

<sup>7</sup> See R. Ahrend, C. Gamper and A. Schumann (2014) pp12-13.

## IV. The strong model of metropolitan governance

### 1. France

17. Compared to many other countries, France has an institutionalized and relatively homogenous approach to metropolitan area governance and as such fits very much into the strongest type of metropolitan governance model. At its core is the '*communauté urbaine*' a body dedicated to inter-municipal cooperation which is defined by national law. It can be created in metropolitan areas with more than 450,000 inhabitants. Currently, every metropolitan area in France except for the capital Paris is covered by one. A new law passed in 2014 has reduced the eligible population limit to 250,000.

18. The first *communautés urbaines* were created in the late 1960s in Lyon, Bordeaux, Strasbourg and Lille. Where *communautés urbaines* exist, they take over extensive responsibilities in areas such as transportation, spatial planning, regional development and water provision. Besides the tasks that are specified by law, municipalities within a *communauté urbaine* can agree to transfer further tasks to it. *Communautés urbaines* are headed by a president who is elected by an assembly of representatives. The representatives used to be elected by the legislatures of member municipalities, but have been directly elected from 2014. Corresponding to the significant set of responsibilities of *communautés urbaines*, their annual budgets are large. They range from several hundred million Euros to several billion Euros. This is equivalent to between 1,000 and 2,000 Euros per capita. Staff numbers are between 1,000 to 7,000 employees.

19. Greater Lyon is a good example where fifty seven local authorities bring together 1.25 million people in an agglomeration able to give additional weight to its economic development activities, give international profile to the city region and attract investment in new hi-tech clusters. At the same time the city region has the scope and scale to tackle the new agenda of climate change in a way that its individual component parts could not. It has set out a Climate Plan for Greater Lyon with clear targets for CO2 reductions; brought together both economic and civic society partners; proposed a range of mobility and energy efficiency measures; and outlined an enterprise strategy that seeks to transform environmental restrictions into economic opportunities.<sup>8</sup>

20. Paris has been an exception to the predominant system of metropolitan area governance. It has no governance structures that are comparable to other French metropolitan areas. *Paris métropole* is a voluntary association of local governments that serves as a policy exchange forum for the inner parts of the metropolitan area. It has characteristics that are similar to many voluntary associations of local governments that serve primarily as policy exchange forums and a relatively small budget of approximately two million Euros. This corresponds to the Type 3 soft model. However, at the end of 2013 a new law was passed that stipulates the creation of a body of intermunicipal cooperation for the greater Paris area in 2016. The same law also extends the territory that is covered by the *communautés urbaines* of Lyon and Marseille and grants them additional powers. Paris and most of the larger metropolitan areas in France are also covered by sectoral authorities for public transport.

### 2. Spain

21. The autonomous Community of Madrid (*Comunidad de Madrid*) is one of 17 autonomous communities in Spain and as such, it is part of the first level of sub-national government with far reaching responsibilities in the fields of housing, transport, infrastructure, spatial planning, health and social affairs. It was founded in 1982 and, as first level of sub-national government, holds general elections to determine its leadership. It has a budget in 2015 of more than 23 billion euros.

22. Barcelona's metropolitan area governance body was founded as an association of municipalities in the metropolitan area and fulfils a wide range of tasks. Among them are public transport, water supply and sewerage, waste disposal, housing and spatial planning. The association was founded in 1987 and has existed in its current form since 2011. It has a budget of several hundred million Euros.

<sup>8</sup>[http://www.economie.grandlyon.com/fileadmin/user\\_upload/fichiers/site\\_eco/200912\\_gl\\_clean tech\\_plan\\_climat\\_plaquette\\_en.pdf](http://www.economie.grandlyon.com/fileadmin/user_upload/fichiers/site_eco/200912_gl_clean tech_plan_climat_plaquette_en.pdf)

### 3 United Kingdom (London)

23. The partial introduction of metropolitan regional authorities in England in 1974 with responsibilities for transport and planning was overturned by the Conservative government of Margaret Thatcher in the mid-1980s when a number of them became a site of opposition to the government's policies. In 1985/86 the Conservative Government abolished the Greater London Council, along with the upper tier of the local government in England's six other main metropolitan areas. In London most local government services remained in the hands of the now unitary borough councils, but it became increasingly clear that as the country's capital and pre-eminent city with a growing population and strong cultural identity it needed an overarching political structure if it was to fulfil its economic potential.

24. It was widely seen that the abolition of the Greater London Council had been an act of narrow political vengeance which damaged the city's economic prospects. Thus the Labour government elected in 1997 passed the London Government Act 1999<sup>9</sup> which established a Greater London Authority (GLA), comprising a Mayor and 25-member Assembly, both directly elected, and with largely strategic responsibilities. The GLA's main functions would be exercised through four boards, appointed by and responsible to the Mayor: Transport for London, the Metropolitan Police Authority, the London Fire and Emergency Planning Authority, and the London Development Agency to oversee the economy and strategic planning. Meanwhile the 32 boroughs remained the primary unit of sub-national government responsible for everyday basic services such as education, housing, social care, local roads, libraries and museums, refuse collection and environmental health. The two-tier arrangement with the boroughs offered a balance between local and metropolitan interests. It quickly became a well-established pattern.

### 4 Turkey

25. The trend towards strong metropolitan governance has also emerged in Turkey. The first law for the development of greater city municipalities was enacted in 1984 and applied to Istanbul, Ankara and Izmir. Within this model each metropolitan authority became responsible for the entire administration of the geographical area including the district municipalities within its boundaries, a significant difference from their role elsewhere as illustrated by the London example above.

26. By 2000 there were 16 greater city municipalities and which after the passage in 2012 of a more recent law (6360) has now increased to 30. There has been significant unease about the political effects of these changes which have been imposed top-down by central government with an arbitrary geography and a sharp diminution of power for the municipalities forcibly incorporated into the new structures.<sup>10</sup> Currently, the population of Istanbul Metropolitan Area exceeds 14 million, accounting 20 percent of country's total population. In Ankara and Izmir, the population exceeds 5 million and 4 million, respectively. Nearly half of the country's population is living in metropolitan municipalities.

### 5. Germany

27. Germany generally pursues a soft model of cooperation, (see para 6.1) but because of its federal structure there are significant variations. Thus the metropolitan region of Hamburg has over 5 million inhabitants spanning four federal states and nineteen districts. The region works together on trade, business development and leisure, as well as sustainable energy, innovation and strategic transportation. The activity is organised through a formal regional council and helps to deliver both a national and international profile for this North German economic powerhouse.

28. Another example of the strong model is found around Stuttgart. In the Stuttgart region, 179 municipalities with an overall population of 2.7 million work together in the Regional Verband on regional planning, transport, landscape projects, and promoting the economy. A top-down organisation with its own parliament is responsible for commissioning the work following specific legislation from the state (Land) of Baden-Württemberg in 1994. This is effectively a metropolitan government, with an elected assembly and a large budget to finance its own administration and measures that are agreed at that level.

<sup>9</sup> <http://www.legislation.gov.uk/ukpga/1999/29/part/I/crossheading/the-authority>

<sup>10</sup> See for example the case of Greater Izmir in Candan Oguz & Ipek Ozbek Sonmez (2014) Towards the New Regionalism Approach in the Metropolitan Governance of Turkey, *European Planning Studies*, 22:2, 383-399, <http://dx.doi.org/10.1080/09654313.2012.752441>

29. The Verband takes a very strong interest in economic development. It considers that to safeguard jobs and prosperity within the region it needs to focus on business promotion, support existing industries and create new employment clusters. Thus, it has looked to develop new transport services and products as a way of shifting the car-oriented economy into a mobility region; it has promoted centres of excellence between industry, scientific institutes and public authorities; supported its biotechnology and media clusters; and helped to lift the overall marketing and publicity profile of the region.<sup>11</sup>

## V. Combined authorities

30. Developments within the UK around Manchester give an example of evolving trends. After the abolition of the metropolitan county council by the conservative government in 1986, Manchester and Salford city councils and their eight neighbouring metropolitan boroughs carried on working together on regional issues on a voluntary basis through the Association of Greater Manchester Authorities, while they retained a statutory role in transport. This corresponds to the weakest form of cooperation, the soft model. But what is currently happening signifies a shift to a stronger level of cooperation, a combined authority with formalised powers. The AGMA partnership strengthened as they developed an economic and ICT strategy for the metropolitan area. In 2011 the Greater Manchester Combined Authority was established through statute, as an umbrella grouping which pooled each authority's housing, regeneration and planning resources and assumed responsibilities for economic development, regeneration and transport.

31. Wider forces are shaping developments, notably the significant extension of devolved powers to Scotland and the desire of national government to show that it wants to encourage economic development outside of London. Thus currently the Combined Authority is in negotiations with the national government over re-regulating public transport, which currently in the UK is deregulated outside of London; devolving the skills budget; and gaining some control over tax proceeds to pay for infrastructure investment. In a surprise move in February 2015, the national government offered to devolve health and social care portfolio to Greater Manchester with a budget of £6 billion, which would certainly shift the combined authority towards a strong metropolitan model.

32. In terms of governance, central government has demanded that the Combined Authority has a directly elected Mayor. The GMCA currently rotates its leadership roles between the ten leaders of the authorities. Each local authority jealously guards its autonomy and distinctive local roots. They have now come up with their own local solution to this national ultimatum whereby they would add an 11<sup>th</sup> directly elected member – the Mayor - who shall “lead politically full-time”<sup>12</sup> but who would be accountable to the other ten leaders within the Authority.

33. There are metropolitan area governance bodies in two Portuguese conurbations, the Area Metropolitana de Lisboa and Area Metropolitana de Porto. The bodies have been established in 1991 through a national law and are organised as associations of local governments. They have an assembly of 55 members who are mostly elected. Both bodies have a wide range of responsibilities including transport, spatial planning, regional development, waste disposal, water provision and sanitation. However, both organisations have a relatively small budget of 2.4 million Euros and 4 million Euros, respectively, and low double digit numbers of employees. Besides having governance bodies, both metropolitan areas are covered by sectoral authorities for public transport.

34. Metropolitan areas are sometimes located on the borders of two neighbouring states and here the need for cross-border cooperation arises. This requires more complex negotiations to achieve a combined authority. The Eurometropolis of Lille –Kortrijk-Tournai is a prime example. This grouping brings together different levels of French and Belgian government covering 147 municipalities with a population of 2.1 million people. The Eurometropolis acts a hub of cross-border information, activities and services and helps companies, institutions and citizens to move easily and simply across the border, minimising the “border effect” and multiplying the benefits for the aggregate urban population.

<sup>11</sup> The European Metropolitan Region of Stuttgart. Dr. Bernd Steinacher. <http://www.enerkey.info/old/download/EEWS-Stuttgart-Steinacher.pdf>

<sup>12</sup> See Independent on Sunday 19 October 2014. Interview with the leader of Manchester City Council, Sir Richard Leese.

## VI. The soft model of planning.

35. In Gothenburg the Göteborgsregionens Kommunalförbund was founded in 2001 through a bottom up initiative of local authorities in the region that agreed to work together on a consensual basis. It works on a wide range of topics such as local labour markets, environmental issues, social services and regional economic development. For a purely voluntary association of local authorities, it has a relatively large staff of 160 people and a yearly budget around 32 million Euros. It receives its funding primarily from fees it charges for its services. This is a more substantial body than the other two metropolitan areas in Sweden of Stockholm and Malmo where the majority of metropolitan functions are assumed by the county Council, which overlaps significantly with the metropolitan area, whereas in Gothenburg the Vastra Gotaland council covers a much larger geographical area.

36. The strong federal system operating in Germany means that there is considerable variety in the governance of metropolitan areas. Most common is the grouping of the core city and surrounding municipalities into associations of local government. These are relatively weak bodies, some purely voluntary groupings which act as a policy exchange forum. Others are a bit stronger with a remit on planning issues and development. The number employed and the budgets utilised are relatively low. This model is viable because the universal presence of stand-alone regional transport authorities ensures that the crucial task of co-ordinating public transport is addressed elsewhere within the political system.

37. There are emerging examples of this trend within the newer EU Member States. In Bulgaria, the mayors of the 11 municipalities, including the capital Sofia, agreed to establish The Regional Association of Municipalities Centre (RAMC) in 2010 with an overall population of 1.6 million inhabitants. RAMC covers the territory of the functional urban area of Sofia. The aim of this non-statutory body is to work together on planning and technical infrastructure projects, in particular transport and to set up a common strategy for polycentric development on the territory of the associated municipalities.

38. A similar bottom-up development has occurred around Katowice in Poland, where a voluntary association of 14 municipalities with nearly two million inhabitants have formed the Metropolitan Association of Upper Silesia, which manages joint functions such as the common public transportation system and addresses cultural issues. The wider goal of the association is to create a dynamic 'Silesia' metropolis, which can effectively compete with other metropolitan areas in Poland and abroad. It has recently developed a Strategy of Development of Upper Silesian Metropolis, with a perspective until 2025.

39. The model in Austria is one of relatively low-key cooperation. Of the three metropolitan areas in Austria, associations of local authorities exist in two of them. The Stadt-Umland-Management in Vienna is a policy exchange forum that focuses primarily on planning issues. It is functionally divided in two groups. One group focuses on the more urban southern part of the metropolitan area, whereas the other group focuses on the more rural northern part of the metropolitan area. In contrast to most metropolitan regions, municipalities are not represented by elected councillors but by high ranking public officials working in their planning departments. There is an association of local authorities in the metropolitan area around Graz. It is a small organisation with six employees. Compared to many other associations of local governments, it focuses less on spatial planning and related issues. Linz, the third metropolitan area in Austria does not have a governance body. In all three cities transport authorities exist that reach beyond the limits of the metropolitan areas.

## VII. Democracy and metropolitan governance

40. Metropolitan governance is particularly complicated when it comes to decentralised representative democracy and political accountability. Metropolitan governance tends to encompass far more areas of decision-making than those for which the local and regional governments in a given area are usually competent. It often involves overlapping and complex relationships, including new actors beyond the city borders and outside the traditional city political arena. Decision-making in metropolitan areas is increasingly simultaneously involving more than one tier of government, with a corresponding shift from community-based governance to problem-oriented multilevel governance.<sup>13</sup> The increasingly interdependent world of metropolitan areas is an enormous challenge to traditional democratic practice. The complex relationships between citizens, politicians, stakeholders and

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<sup>13</sup> Hasler, K.A. (2014), "Accountability in the Metropolis", Nomos 12/16

territory can present a threat to the capacity of traditional institutions of representative democracy with regard to legitimacy, accountability and transparency.<sup>14</sup>

41. Metropolitan bodies have to take decisions about public local goods and services, which have an impact on the citizens living in the urban area. Citizens should have the opportunity to influence these actions and decisions. However, the decision-making processes in these metropolitan areas are often made by others than those regarded as the legitimate elected decision-makers. More and more decisions are being taken beyond the control of elected representative bodies, raising the risk of the decision-making process in metropolitan areas being depoliticized and evading public scrutiny. The governance of metropolitan areas is therefore often characterized by a diminishing democratic legitimacy and accountability. The increasing resort to non-elected decision-makers is often due to the complex nature of decision-making processes, in which it can be difficult to identify who is responsible for providing the public services. There may be little or no involvement of civil society, with the result that citizens no longer identify with the decisions and actions of metropolitan bodies and feel powerless to hold metropolitan authorities to account for their actions.

42. Democratic accountability requires a clear division of the tasks, responsibilities and powers in decision-making between and within different institutions. This clarification of responsibilities is more complicated but just as essential when it comes to metropolitan areas<sup>15</sup>. The responsibilities of metropolitan areas should be assigned according to the principle of subsidiarity, tasks should be the responsibility of the sphere of government which is most appropriate to do them and closest to the citizens.

43. Local democracy is often considered as an institutional arrangement to enhance the involvement and participation of citizens. Citizen's participation in metropolitan areas is an important facet to improve the democratic accountability and legitimacy of decision-making. However, metropolitan governance affects the ability of citizens to participate and engage in the decision-making. The possibilities to provide access for citizens – whether through public hearings, elections or direct contract with public officials is easier when the local government is smaller. The larger the local government jurisdiction, the more likely it is that interest groups will dominate the citizens participation<sup>16</sup>. Therefore, the way to engage citizens in metropolitan decision-making has to be reconsidered.

### Key principles

44. The resolution of these challenges is central to the future of the metropolitan governance. The Council of Europe's Parliamentary Assembly has called on Member States to "create a legislative and institutional framework for local democratic structures and processes in a way that allows for effective local self-government of large metropolises"<sup>17</sup>. How to ensure that the lines of accountability within the metropolitan regions are clear and that decision-making process are easily understandable?

45. Firstly, central governments should encourage but not impose. They can set both the economic criteria and framework for accountability for a city region but should not determine either its geographical shape or its political structures. This avoids the dual dangers: firstly, of using metropolitan governance as an instrument for re-centralisation and a reassertion of national government control; secondly, it reduce the danger of local resentments emerging at the imposition of new political structures from the centre.

46. Secondly, this needs to be an organic development decided and agreed by the local stakeholders. They need to work together and recognise for themselves the benefits of collaboration across municipal boundaries. Given the real strength of historic urban identities in many parts of Europe and the frequent pride which these sentiments arouse, the establishment of new political structures is a delicate task. As Eurocities expresses it "...trust and mutual respect between participating bodies (requires) strong political will to cooperate, based on the recognition of common

14 Buser, M. (2012), "Democratic Accountability and Metropolitan Governance: the Case of South Hampshire, UK", Urban Studies Journal, vol. 51, no. 11, pp. 2336-2353

15 Good governance in European metropolitan areas (2006):

[https://wcd.coe.int/ViewDoc.jsp?p=&Ref=CG\(13\)6&Language=lanEnglish&Ver=original&Site=COE&BackColorInternet=C3C3C3&BackColorIntranet=CACC9A&BackColorLogged=EFEA9C&direct=true](https://wcd.coe.int/ViewDoc.jsp?p=&Ref=CG(13)6&Language=lanEnglish&Ver=original&Site=COE&BackColorInternet=C3C3C3&BackColorIntranet=CACC9A&BackColorLogged=EFEA9C&direct=true)

16 Comparative Urban Governance: Future of cities: working paper (2014).

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/360420/14-810-urban-governance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/360420/14-810-urban-governance.pdf)

17 Parliamentary Assembly: Resolution 1964 on Good governance of large metropolises, 2013

<http://assembly.coe.int/nw/xml/XRef/Xref-DocDetails-EN.asp?FileID=20253&lang=EN>

interests...Partnerships take time...work on long term trust-based relationships between authorities within the functional urban area.”<sup>18</sup>

47. Thirdly, metropolitan authorities must ensure that the decision-making does not become depoliticised and as a result evade citizen scrutiny.<sup>19</sup> A directly elected mayor or public elections for a metropolitan government help to increase the democratic accountability of metropolitan decision-makers. However, the establishment of metropolitan governments or authorities is often opposed by the existing municipalities and their elected councilors, out of fear losing powers and having actions and policies imposed by those metropolitan bodies.

48. Either way, local politicians can play a strong role in delimiting metropolitan accountability. In order to ensure democratic accountability and legitimacy in metropolitan areas, the metropolitan governance bodies must be made up of elected officials, elected representatives from the local governments concerned or at the very least they must clearly specify how constituted elected bodies can participate in the decision-making processes. By specifying the role of elective representatives or by organising direct or indirect elections, metropolitan bodies can ensure that they are more accountable to their citizens.

49. The media also have a role to play in holding metropolitan actors accountable to the public and identifying who is responsible for making the decisions, whether they are elected or not. Elected actors tend to be held accountable by the media more than non-elected private actors, partly because of public expectations that elected public officials should be prepared to answer questions from the media. The media thus can be a useful platform to enhance democratic accountability where the metropolitan officials are, directly or indirectly, elected.

50. Another way to assure more clear accountability and comprehensive decision making processes is by transparency. The metropolitan bodies should work in an open and accessible way and they should explain how decisions are made. Transparency in the decision-making processes gives the citizens the possibility to control their metropolitan governments and hold them, if necessary, account for their actions and decisions. It is important to have access to valid and comprehensible information about what the metropolitan region is doing and how well it is doing.

51. Transparency in metropolitan areas can be offered by publishing government information online and by the use of ‘open data’. Metropolitan bodies can give citizens online access to government information and ‘open data’, which offers a new potential for citizen participation. Open data can allow citizens to have a voice in the decision and policy making, and most important makes it possible to hold the metropolitan bodies account.

52. While public authorities are almost always at the heart of the development of metropolitan regions, in many instances a broader partnership has been created involving chambers of commerce, business associations, private companies and NGOs. These are often engaged in relevant metropolitan tasks such as strategic business development, public transport and other services such as tourism. These economic actors are often the strongest advocates of cooperation at the metropolitan level, as they can directly see the transport and economic benefits. They can help to overcome the doubts and scepticism which initially are often expressed in the wider population. However, it is important that the voice of powerful economic stakeholders does not act as a substitute for wider civic engagement. The involvement of a broader range of community and voluntary organisations in the overall metropolitan partnership remains a challenge for most metropolitan regions.

53. It seems likely that the underlying socio-economic trends will continue to give greater weight to Europe’s conurbations and hence the establishment and strengthening of metropolitan regions will be a growing trend. There is no common metropolitan governance model, either across Europe or even within individual countries. One size does not fit all. However, the principles of subsidiarity and political accountability remain as important as ever, and need to be kept in mind and put into practice if we are not to see a rolling back of local democracy under the guise of the need of stronger, more effective forms of decision-making. In this area, metropolitan areas can and in many cases are acting as a crucible for experimentation and innovation with new forms of citizen participation, involving new and

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18 Eurocities: Metropolitan Areas in Action: Concluding Report. (2013.) pp24-25.  
<http://nws.eurocities.eu/MediaShell/media/MAIA%20concluding%20report%20FINAL.pdf>

19 Buser, M. (2012), “Democratic Accountability and Metropolitan Governance: the Case of South Hampshire, UK”, Urban Studies Journal, vol. 51, no. 11, pp. 2336-2353

increasingly loose forms of governance. The media, including the social media, are playing an increasing role in holding these new forms of governance accountable for their actions.<sup>20</sup>

### **VIII. Facilitating European co-operation**

54. The emergence of metropolitan regions as a widespread European phenomenon raises the issue of how the European Union and the Council of Europe should respond to it. The issue of territorial cohesion gained greater prominence with the Lisbon Treaty (2007), where it was introduced as a basic goal for the EU alongside social and economic cohesion. Clearly the metros are one aspect of this. In response to this new objective, EU cohesion policy is increasingly recognising the importance of integrated working through functional urban geographies which cut across existing administrative boundaries. Certain elements of the new European Structural and Investment Funds aim to avoid the negative impact of previous instruments that prevented cooperation across administrative boundaries and different types of territories. New instruments such as Integrated Territorial Investments (ITIs) seek to promote wider partnerships and have the potential to speed up metropolitan area collaboration. This should be seen in the wider context of delivering the Europe 2020 objectives. Metropolitan areas provide economies of scale to help deliver smart, sustainable and inclusive growth for the EU.

55. How should the Council of Europe contribute to greater collaboration at the European level? Metrex, the European Network of Metropolitan Regions and Areas has been operational for almost two decades and has been the main advocate of metropolitan regions within Europe. It is the body which the Council of Europe has traditionally linked with on these issues. More recently the main large city European association, Eurocities has been taking a growing interest in this topic, while the OECD has increasingly recognised the significance of metros for both its economic and environmental agendas. The Council should foster closer relations with both bodies in the future.

### **IX. Conclusions and recommendations**

56. Metropolitan areas are an emerging trend reflecting long-term societal shifts. Therefore promoting appropriate political structures that reflect and give political control over this development should be encouraged. This is a necessary and emerging sphere of governance.

57. Transport, strategic planning and economic development are the core functions that a metropolitan area has to fulfil. However, different urban conglomerations pull together other tasks under the metropolitan umbrella, such as sewage, waste, policing, leisure, tourism and culture.

58. To fulfil these responsibilities metropolitan areas need adequate resources from national government budgets. Over time as the sphere of metropolitan governance becomes established, the demand for these areas to be able to raise their own revenues will grow.

59. Central governments should encourage but not impose. They can set both the economic criteria and framework for accountability for a city region but should neither determine its geographical shape nor its political structures. This needs to be an organic development decided and agreed by the local partners.

60. The promotion of equitable and amicable relations between all the public authorities within the metropolitan region is crucial. The division of labour/tasks between them needs to be clear even if inevitably there will be some overlaps given the interdependencies of modern urban life.

61. This trend is occurring across Europe. EU policy and funding instruments can encourage and stimulate it. Metropolitan regions should maximise the use of new policy instruments such as the Integrated Territorial Investments in order to promote further collaboration.

62. A number of organisations are engaged in activity promoting the role of metropolitan regions. The Council of Europe should develop its work in this area working in cooperation with these bodies, such as, Metrex, Eurocities and the OECD.

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<sup>20</sup> Hasler (2014), op. cit.

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