Participatory Budgeting in the Swiss Municipality Bolligen

Margret Kiener Nellen
Mayor of Bolligen and Member of the Swiss National Parliament

Africa Regional Seminar on Participatory Budgeting
March 10 - 13, 2008, Durban, SOUTH AFRICA
Africa Regional Seminar on Participatory Budgeting

Participatory Budgeting

- Participatory budgeting is one mechanism to ensure more equitable public spending, higher quality of life, increased satisfaction of basic needs, greater government transparency and accountability, increased levels of public participation (especially by marginalized residents), and democratic and citizenship learning.

- Structure and mechanisms are needed to make Participatory Budgeting work at the commune (municipalities/local) level – Case of Bolligen.
Part I – General Framework for Direct Democracy in Switzerland
Direct Democracy in Switzerland

- General Principles guiding direct democracy in Switzerland
- Direct democracy used with larger populations – Example: Switzerland
- Instruments and mechanisms (e.g. referenda, initiative, recall) in place to facilitate direct democracy in both larger (with no citizen assembly) and smaller communes (i.e. municipalities) in Switzerland
- How does direct democracy and representative democracy co-exist in Switzerland?
Checks and Balances is “Key”

- What policies / laws are in place to strengthen transparency
- What actual processes / mechanisms are in place to ensure transparency
  - X times a year citizens vote directly on issues at the federal, state (cantonal), or local (commune) level
  - Voters may challenge any policy or law by gathering the required number of signatures of registered voters, which forces a referendum; the results of the resultant vote are binding
Part II – Participatory Budgeting in the Swiss Municipality – Bolligen Case
Participatory Budgeting

- Participatory budgeting is one mechanism to ensure more equitable public spending, higher quality of life, increased satisfaction of basic needs, greater government transparency and accountability, increased levels of public participation (especially by marginalized residents), and democratic and citizenship learning.

- Structure and mechanisms are needed to make Participatory Budgeting work at the commune (municipalities/local) level – Case of Bolligen.
The Swiss Federal System

Three state-levels in Switzerland:

• National level (Swiss “Confederation”)
• 26 Cantons
• 2700 Municipalities

All state levels fulfil certain tasks and responsibilities, with own financial autonomy (incl. autonomy to raise taxes), accountability and service delivery
Municipal tasks/competences

All competences/tasks not attributed to the Federal State or to the Canton can be fulfilled by the municipalities, e.g.

- Schools – primary and secondary
- Fire brigade
- Basic local services (water, waste disposal, sewage system)
- Local planning
- Culture, sports
- Social welfare (in cooperation with canton)
Autonomy of municipalities

• The autonomy of municipalities is guaranteed by the Swiss federal constitution
• The cantonal constitution ensures full transparency through public access to municipal data
• Within the framework provided by the federal and cantonal laws, the municipalities have the right to legislation and self-administration. They have to fulfil their tasks in their own (responsibility) accountability.
Legal basis of municipalities

- Federal laws
- Cantonal laws (e.g. law on municipalities)
- At municipal level, the competences of the different organs are mainly defined in the municipal “Organisational rules/statutes”.
- The citizens (with right to vote and elect) are the supreme authority of the municipality.
Budget- und fiscal autonomy

• The municipalities have some fiscal autonomy
• The municipalities raise taxes and fees in order to finance the execution of their tasks and functions
• The Citizens Assembly (assembly of all citizens) approves the budget and decides on the tax rate for the budget year
• After the end of the accounting year, the Citizens Assembly approves the annual accounts
Main instruments of participatory budgeting

1. Approval/adaptations/rejection of budget and tax rate by citizens assembly (public debates)
2. Information on long-term financial planning
3. Financial referendum
4. Participation/involvement of citizens through political militia system (e.g. committees)
Competences of the Municipal Assembly (citizens assembly)

• The municipal assembly may reject the budget and the tax rate with the obligation for revision
• The municipal assembly may directly adapt the budget or the tax rate
• The municipal assembly may reject the budget or the tax rate (if the municipality has no approved budget until June, the municipal budget is determined by the canton)
Financial Planning

• The municipal council (executive) elaborates a municipal financial plan, which defines the financial development for the next 4 to 8 years.
• It contains expenditure, municipal tax revenue and rate public debt.
• The financial plan is rendered public at the citizens assembly.
Financial Referendum

- The citizens may request a referendum against expenditure decisions of the municipal executive, which exceed a certain amount (introduced only in some municipalities)
- During a limited time (e.g. 30 days) citizens may collect a determined number of signatures
- If the referendum is valid, the municipal council (executive) has to submit the issue to the municipal assembly for decision
The political militia system of municipal authorities

• The municipal authorities are normally following the “militia system”
• They are elected (ballot or at the municipal assembly) out of the citizens with voting rights in the municipality
• Examples: Municipal Council, primary school committee, social and tutelage committee, finance committee, control committee
## Organisational Chart Municipal Authorities of Bolligen

### Annex I of the Organisational Statutes

<table>
<thead>
<tr>
<th>Tasks</th>
<th>Functions</th>
<th>Committees</th>
<th>Organs, Expert Committees, Bureaus</th>
<th>Inter-municipal Cooperations, External Relations</th>
<th>Administration Departments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mayor</td>
<td>Municipal administration</td>
<td>Election and voting committee</td>
<td>Bureau for municipal management</td>
<td>Association Bern region, Foundation for &quot;Personalvorsorge&quot; Bolligen-Ittigen-Ostermundigen</td>
<td>Municipal secretariat/office</td>
</tr>
<tr>
<td></td>
<td>Resident's administration office</td>
<td>Committee for public security</td>
<td>Committee for health and prevention of drug addiction</td>
<td>Water Union Bern region, Foundation music schools</td>
<td>Department for Finance</td>
</tr>
<tr>
<td></td>
<td>Administration office</td>
<td>Planning committee</td>
<td>Committee for nature and landscape, Committee for traffic/public</td>
<td>Committee regional civil defence education training centre, Society Schiessanlage Wolfacker</td>
<td>Municipal secretariat/office</td>
</tr>
<tr>
<td></td>
<td>Personnel</td>
<td>Committee for social affairs and tutelage Committee for elderly people</td>
<td>bureau for rents</td>
<td>&quot;Hitch&quot; VRB, Regional conference for traffic and transport (RV/K), Regional traffic and transport Bern-Solothurn (RBS)</td>
<td>Department for Construction</td>
</tr>
<tr>
<td></td>
<td>Informatics</td>
<td>Committee for structural engineering</td>
<td></td>
<td>&quot;PRO-Wonderland, Social committee VRB, Home care association, Old age home Aesspliz, Foundation Contact, Foundation for new living space, Consulting to mothers and fathers, Association old people&quot;</td>
<td>Social Welfare Services</td>
</tr>
<tr>
<td></td>
<td>Coordination</td>
<td></td>
<td></td>
<td>ARA, KEWU</td>
<td>Department for Construction</td>
</tr>
<tr>
<td></td>
<td>Votes and elections</td>
<td></td>
<td></td>
<td>Foundation music schools, expert committee for school issues, Kornhaus-library, Foundation &quot;Ortsstube&quot;, Culture conference VRB, Cooperative &quot;Reberhaus&quot;, Swimming pool</td>
<td>Department for Construction</td>
</tr>
<tr>
<td></td>
<td>Information</td>
<td></td>
<td></td>
<td></td>
<td>Education and Culture</td>
</tr>
<tr>
<td></td>
<td>Regional Cooperation Testaments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Guiding principles

The municipal council approves the necessity of a **sustainable municipal policy**\(^1\) in line with the Local Agenda 21\(^2\). Society, economy and environment should be developed in a sustainable way in the municipality of Bolligen.

The creation and preservation of a sane, secure and attractive life and economic situation shall be a priority in the legislative period of the municipal council of Bolligen. Particularly, the council shall enhance:

- The social cohesion and solidarity of the citizens including the private associations and institutions
- Open development possibilities for the inhabitants
- The preservation and further development of the edificial and esthetical qualities in terms of an active development of the location
- Socially, environmentally and economically compatible infrastructure and means of transportation
- A population growth with a good intermixture in the perspective of a stable public financial situation
- Regional cooperation

---

1. **Definition of the sustainability:**

   „Sustainable development is a development which can supply worldwide the present needs, without reducing the possibilities for the future generation to cover their own needs“ 
   *(Brundtland-Report Our Common Future“ 1987)*

2. **What is the “Agenda 21”?**

   In 1992 a summit took place in Rio during which a catalogue of problems comprising 40 chapters have been signed by 179 states. It contains approaches and proposals for measures to guarantee a socially, economically and environmentally sustainable development on the whole earth during the forthcoming 21\(^{st}\) century.

   The Local Agenda 21 comprises approaches for the local authorities.

   The United Nations as well as the International Association of Municipalities have included the Local Agenda 21 in their environmental programme. An overview on the previous conferences and conventions can be taken from the Vademecum for sustainable municipal policy „*zukunftsbeständige Gemeinde*“ (published by the Direction for Public construction, Transports and Energy of the canton of Bern as well as by the city of Winterthur, Dec. 2000).
Challenges and Achievements of using Participatory Budgeting

Achievements
• full transparency
• full accountability
• multi-stakeholder participation

Challenges
• communication
• efficiency
• 2’700 municipalities: standards? equal rights?
• coordination
How to Address Challenges

- Summary of instruments / mechanisms used to address challenges faced with participatory budgeting in Bolligen.

→ municipal council makes public its decisions regarding public expenditure and service delivery after each meeting
→ highly competent civil servants
→ transparent planning of the budgeting process: committees
  → municipal council → committee of control → citizens assembly
„How to“ Address Challenges

• Summary of instruments / mechanisms used to address challenges faced with participatory budgeting in Bolligen.

→ high effort of coordination throughout the year
→ benchmarking with other municipalities (standards)
→ cooperation with neighbouring municipalities to lower cost and maintain good quality in service delivery
Thank you for your attention!