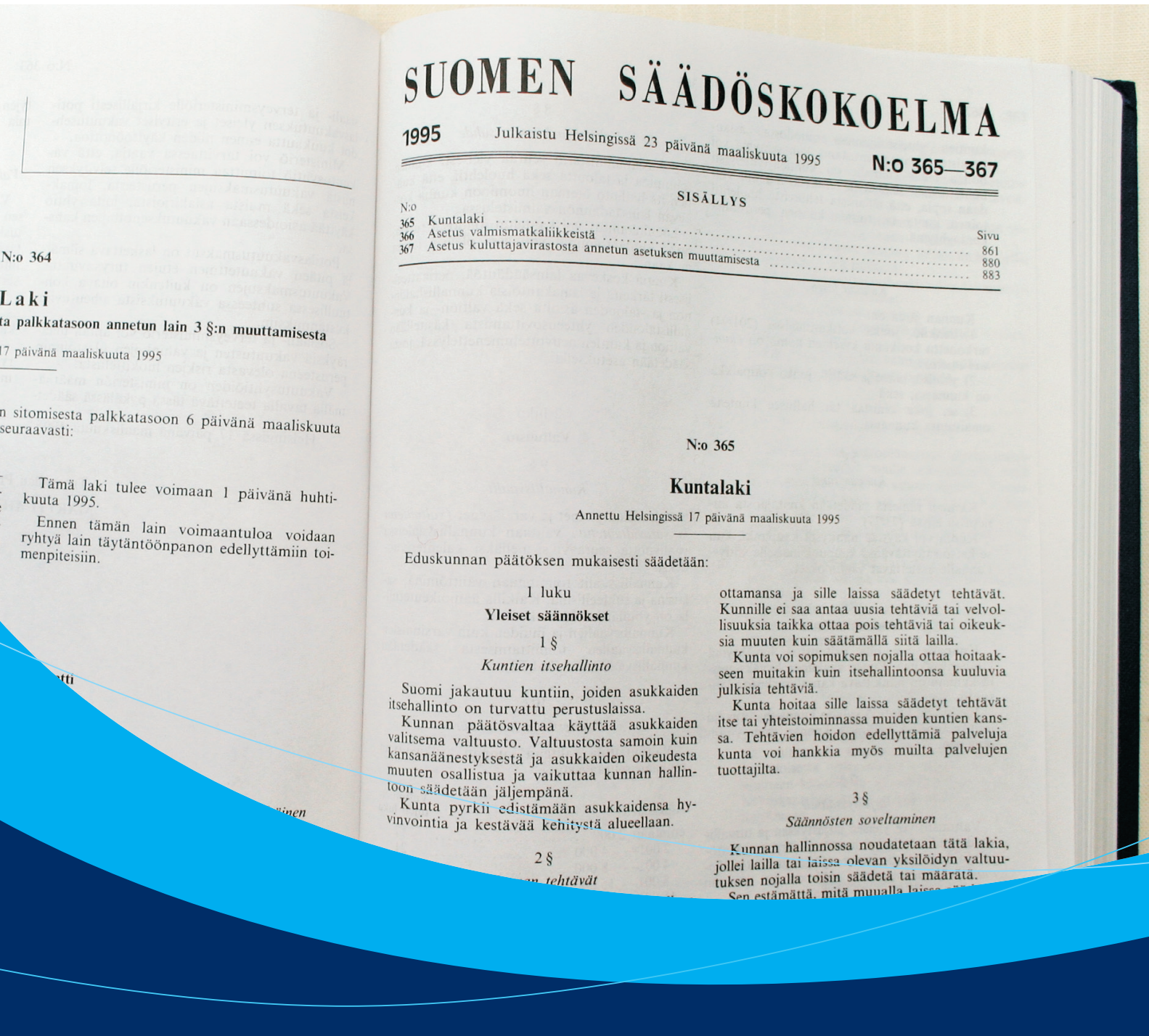


# The Finnish Local Government Act



## SUOMEN SÄÄDÖSKOKOELMA

1995

Julkaistu Helsingissä 23 päivänä maaliskuuta 1995

N:o 365—367

### SISÄLLYS

| N:o |  | Sivu |
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| 365 | Kuntalaki  | 861  |
| 366 | Asetus valmismatkaliikkeistä                               | 880  |
| 367 | Asetus kuluttajavirastosta annetun asetuksen muuttamisesta | 883  |

N:o 364

### Laki

ta palkkatasoon annetun lain 3 §:n muuttamisesta

17 päivänä maaliskuuta 1995

n sitomisesta palkkatasoon 6 päivänä maaliskuuta seuraavasti:

Tämä laki tulee voimaan 1 päivänä huhtikuuta 1995.

Ennen tämän lain voimaantuloa voidaan ryhtyä lain täytäntöönpanon edellyttämiin toimenpiteisiin.

N:o 365

### Kuntalaki

Annettu Helsingissä 17 päivänä maaliskuuta 1995

Eduskunnan päätöksen mukaisesti säädetään:

#### 1 luku

#### Yleiset säännökset

##### 1 §

#### Kuntien itsehallinto

Suomi jakautuu kuntiin, joiden asukkaiden itsehallinto on turvattu perustuslaissa.

Kunnan päätösvaltaa käyttää asukkaiden valitsema valtuusto. Valtuustosta samoin kuin kansanäänestyksestä ja asukkaiden oikeudesta muuten osallistua ja vaikuttaa kunnan hallintoon säädetään jäljempänä.

Kunta pyrkii edistämään asukkaidensa hyvinvointia ja kestäväää kehitystä alueellaan.

##### 2 §

#### tehtävät

ottamansa ja sille laissa säädetyt tehtävät. Kunnille ei saa antaa uusia tehtäviä tai velvollisuuksia taikka ottaa pois tehtäviä tai oikeuksia muuten kuin säätämällä siitä lailla.

Kunta voi sopimuksen nojalla ottaa hoitaakseen muitakin kuin itsehallintoonsa kuuluvia julkisia tehtäviä.

Kunta hoitaa sille laissa säädetyt tehtävät itse tai yhteistoiminnassa muiden kuntien kanssa. Tehtävien hoidon edellyttämiä palveluja kunta voi hankkia myös muilta palvelujen tuottajilta.

##### 3 §

#### Säännösten soveltaminen

Kunnan hallinnossa noudatetaan tätä lakia, jollei lailla tai laissa olevan yksilöidyn valtuutuksen nojalla toisin säädetä tai määrätä.

Sen estämättä, mitä muualla laissa...

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# The Finnish Local Government Act, 17 March 1995, No. 365

By decision of Parliament, the following is enacted:

## Chapter 1 General provisions

### *Section 1*

#### *Municipal autonomy*

Finland is divided into local authorities where the autonomy of residents is safeguarded in the constitution.

The decision-making power of local authorities is exercised by a council elected by the residents. Provisions on said councils, and on referenda and the right of residents otherwise to participate in and influence the administration of their local authority, are laid down in later sections of this Act.

Local authorities shall strive to promote the welfare of their residents and sustainable development in their areas.

### *Section 2*

#### *Functions of local authorities*

Local authorities shall perform the functions that they have undertaken by virtue of their autonomy and those laid down for them in the law. Local authorities may not be allotted new functions or duties, nor shall they be deprived of functions or rights, other than by passing legislation to this effect.

By agreement, local authorities may undertake public functions other than those falling within their autonomy.

Local authorities shall perform the functions laid down for them by law either alone or in co-operation with other local authorities. Local authorities may also secure the services they need to perform their functions from other service providers.

### *Section 3*

#### *Applying the provisions*

The administration of local authorities shall comply with this Act unless otherwise provided in the law. (1.2.2002/81)

Notwithstanding what is provided elsewhere in the law concerning the form to be taken by intermunicipal cooperation, a joint municipal board established by the local authorities concerned may perform the functions prescribed by law for a local authority or several local authorities jointly. Likewise, it can be agreed that such functions will be performed by another local authority or a joint municipal board established by other local authorities.

*Section 4*  
*Members of local authorities*

The members of a local authority shall be:

- 1) persons domiciled as referred to in the Act on Domicile (201/1994) in the local authority concerned (municipal resident);
- 2) corporations, establishments or foundations domiciled in the local authority; and
- 3) whosoever owns or administers immovable assets in the local authority.

*Section 5*  
*Names of local authorities*

A decision to change the name of a local authority is taken by the local council. Before a decision is taken on the matter an opinion must be obtained from the Research Institute for the Languages of Finland. The ministry concerned must be informed immediately of the change of name. (19.12.1997/1198)

A local authority may use the designation 'city' when it considers that it meets the requirements for an urban community.

*Section 6*  
*Municipal coats of arms*

A local authority may have a coat of arms approved by the council. Before approving a coat of arms, the local authority shall obtain an opinion from the National Archives.

Use of the coat of arms shall be supervised by the municipal board or some other municipal authority specified in the standing order.

*Section 7 (27.6.2003/618)*

Section 7 was repealed by the Act of 27 June 2003, No. 618.

*Section 8*  
*Relationship between the State and local authorities*

The Ministry of the Interior shall monitor the operations and finances of local authorities in general and ensure that municipal autonomy is taken into account in the preparation of legislation concerning local authorities.

Following a procedural appeal, the provincial State office can investigate whether a local authority has acted in accordance with the current law.

The legislation on local authorities, matters of municipal administration and finances that are important and far-reaching in principle, and coordination of State and municipal finances shall be dealt with in a negotiating procedure between the State and local authorities, provisions on which will be laid down by decree.

## Chapter 2 Council

### *Section 9 Municipal elections*

The members and deputy members of municipal councils (councillors and deputy councillors) shall be elected in municipal elections for the four calendar years following the election year.

Municipal elections shall be direct, secret and proportional. All qualifying voters shall have an equal right to vote.

The Act on Municipal Elections (361/1972) contains provisions on the holding of municipal elections, and elections other than municipal elections proper.

### *Section 10 Number of councillors*

The number of councillors elected shall depend on the population of the local authority concerned, as follows:

| Population      | No. of councillors |
|-----------------|--------------------|
| up to 2,000     | 17                 |
| 2,001- 4,000    | 21                 |
| 4,001- 8,000    | 27                 |
| 8,001- 15,000   | 35                 |
| 15,001- 30,000  | 43                 |
| 30,001- 60,000  | 51                 |
| 60,001-120,000  | 59                 |
| 120,001-250,000 | 67                 |
| 250,001-400,000 | 75                 |
| over 400,000    | 85                 |

In a local authority with a population of less than 2,000, the council may decide, by the end of June in an election year, that the number of councillors to be elected will be an uneven number lower than 17, though not less than 13. The Ministry of the Interior shall be informed immediately of any such change in the number. (22.12.1995/1647)

The population figure referred to in this section shall be determined according to information in the population data system referred to in the Population Data Act (507/93) at the end of the 31st day of May in the election year. (22.12.1995/1647)

### *Section 11 Deputy councillors*

In each municipal election, the same number of deputy councillors as there are councillors, though a minimum of two, shall be elected from the unelected candidates first of the electoral alliance, party or joint list. A councillor elected as the candidate of a constituency association which is not on a joint list shall have no deputy.

If a councillor is found to have forfeited his eligibility for election, has been relieved of his post or has died, the chairman of the council shall appoint as his replacement for the

remainder of the term the first deputy councillor of the electoral alliance, party or joint list in question.

### *Section 12*

#### *Chairmen and deputy chairmen*

The council shall elect from its members a chairman and the necessary number of vice-chairmen for its term, unless the council has decided on a shorter term for the chairman and vice-chairmen. The chairman and vice-chairmen shall be elected in one and the same election.

### *Section 13*

#### *Duties of the Council*

The council is responsible for the operations and finances of the local authority.

The council shall:

- 1) decide on the main operational and financial objectives;
- 2) decide on the principles for arranging the administration;
- 3) decide on financial principles, financing and investment, and approve the budget; (1.2.2002/81)
- 4) decide on the general principles for the charges to be collected for services and other performances;
- 5) decide on the operational and financial targets to be set for a municipal enterprise;
- 6) decide whether to provide a guarantee or other security for another party's debt;
- 7) elect members to municipal organs, unless otherwise provided hereinafter;
- 8) decide on the principles for the financial remunerations of elected officials;
- 9) elect auditors;
- 10) approve the financial statements and decide whether to grant release from liability; and
- 11) decide on other matters provided and appointed for decision by the council.

### *Section 14*

#### *Delegation of powers*

In the standing order, the council may delegate its powers to other municipal organs, and to elected officials and office-holders. However, powers may not be delegated in matters that the council is required to decide according to a specific provision in this Act or elsewhere in the law.

In the standing order, the council may confer on a municipal authority other than one referred to in subsection (1) the right to further delegate powers transferred to it.

In a matter that involves the exercise of administrative enforcement, powers may only be delegated to a municipal organ.

### *Section 15*

#### *Council procedure*

A procedure or other standing order approved by the council shall contain regulations on the council's operations, on calling in a deputy councillor to replace a councillor, on the processing of a councillor's initiative, and on council groups formed to handle council business.

*Section 15 a (1.2.2002/81)*

*The chairing of meetings and speaking by councillors*

The chairman conducts the handling of matters and ensures that order is maintained at council meetings. If a councillor behaves in a manner that disturbs the course of a meeting, the chairman shall call upon him to behave appropriately. If the councillor does not comply, the chairman may order him to be removed. If disorder arises, the chairman shall suspend or end the meeting.

Councillors have the right to speak on any matter being dealt with. When speaking, they must keep to what is relevant. If a councillor diverges from the matter in hand when speaking, the chairman shall instruct him to return to his matter. If a councillor does not comply, the chairman shall forbid him to continue. If a councillor speaks at what is obviously excessive length, the chairman can first issue a warning and then forbid him to continue.

The council's procedures or other standing orders can incorporate any rules concerning how long councillors may speak on individual matters that may be needed to ensure the progress of meetings.

*Section 15 b (29.6.2006/578)*

*Council groups and support of their activities*

Councillors may form council groups for the work of the council. A council group may also be formed by a single councillor.

In order to improve the operational conditions of council groups, local authorities may support their internal activities and measures aimed at promoting the opportunities of local residents to participate and exert influence. To be granted, the purpose of the support shall be specified.

Section 15 b, added to Act 578/2006, will come into effect on 1 August 2006.

## **Chapter 3 Other municipal administration**

*Section 16*

*Organization of the administration and standing orders*

Local authorities shall decide on the organization of their administration as laid down in this Act. To this end, the council shall approve the necessary standing order containing regulations on the various municipal authorities and their operations, the division of authority and functions.

In a bilingual local authority, a separate organ shall be set up in the education administration for each language group, or then a joint organ with separate divisions for the language groups. The members elected to an organ or division shall represent the language group concerned.

*Section 17*

*Municipal organs*

In addition to the council, municipal organs shall comprise a municipal board, committees and their sub-committees, boards of management and their divisions, and commissions.

The council shall set up the municipal board and the auditing committee referred to in section 71.



The council may also set up:

- 1) committees working under the municipal board to handle functions of a permanent character; and
- 2) boards of management to handle a municipal enterprise or other institution or function.

The relevant provisions on the organ concerned shall apply to divisions of municipal boards or boards of management and sub-committees of committees.

The municipal board and, by virtue of a council decision, some other organ may set up commissions to deal with a specific function.

### *Section 18 Composition of organs*

In the standing order, the council may order that only councillors and deputy councillors may be elected to the municipal board or a specific committee.

The council can decide:

- 1) that some organ other than the council will elect all or some of the members of a board of management;
- 2) that all or some of the members of a board of management shall be elected according to principles laid down by the council at the proposal of the residents or personnel of the local authority or users of services;
- 3) that all or some of the members of an organ set up to handle matters in some component area of the local authority shall be elected at the proposal of the area's residents, and that members must live in the area concerned; and
- 4) that in a bilingual local authority, a division or sub-committee shall be set up for both language groups in an organ other than that referred to in subsection (2) of section 16. The members of the division or sub-committee shall be elected from persons representing the language group concerned.

A deputy member of an organ may also be a member of a division or sub-committee. The council may decide that persons other than members or deputy members of an organ can be elected members of a division or sub-committee, though not as the chairman.

Personal deputies shall be elected for members of organs; what is provided regarding regular members shall apply as appropriate to these deputies.

Separate provisions will be issued regarding equality between women and men in electing members of an organ.

### *Section 19 Term and election of members of organs*

The members of an organ shall be elected for the same term as the council unless the latter has decided on a shorter term or otherwise provided hereinafter. When an organ elects the members of a division or sub-committee, the organ concerned shall decide on the term. The commissions referred to in subsection (5) of section 17 above shall be set up for a term no longer than that of the municipal board or other organ referred to in said subsection.

The members of a municipal board, auditing committee and other committees shall be elected at the council meeting held in January.

## *Section 20*

### *Chairmen and vice-chairmen of organs*

The council or other organ making the selection shall elect a chairman and the necessary number of vice-chairmen from among those elected members of an organ. They shall be elected in one and the same election.

## *Section 21 (29.6.2006/578)*

### *Dismissal of elected officials in mid-term*

The council may dismiss officials that it has elected to the organ of a local authority, a joint municipal board or several local authorities in the middle of the term if all or some of them do not enjoy the council's confidence. A dismissal decision shall apply to all the officials elected to the organ.

The council may dismiss the mayor or the deputy mayor in the middle of the term if they do not enjoy the council's confidence.

The matter is instituted at the proposal of the municipal board or if at least one quarter of the councillors submit an initiative to this effect.

## *Section 22*

### *Temporary select committees*

A council shall set up a select committee from among its members to prepare a matter related to the dismissal of elected officials referred to in section 21 and the dismissal or transfer to other duties of a municipal manager referred to in section 25. A select committee can also be set up to issue an opinion and to audit the administration.

## *Section 23*

### *Municipal boards*

Municipal boards shall be responsible for the administration and financial management of local authorities, and for preparing, executing and watching over the legality of council decisions. The municipal board shall watch over the local authority's interests and, unless the standing order specifies otherwise, represent the local authority and exercise its right to be heard.

The municipal board or some other municipal authority specified in the standing order shall when necessary issue those representing the local authority on the administrative organs of various corporations, establishments and foundations with instructions on the local authority's position vis-à-vis the matters to be dealt with.

## *Section 24 (29.6.2006/578)*

### *Municipal managers and mayors*

Local authorities shall have a municipal manager or a mayor who directs their administration, financial management and other operations subordinate to the municipal board. Municipal managers or mayors are elected by the council. The municipal manager shall have a civil service relationship with the local authority and the mayor shall be considered a municipal elected official. The mayor shall act as chairman of the municipal board.

If the office of the municipal manager is filled when the mayor's term begins, the council shall decide on transferring the municipal manager to another office or contract of employment suitable to him or her. A municipal manager with fixed term contracts shall be transferred to another office or contract of employment for the remainder of the term. A municipal manager transferred to another office or contract of employment shall be entitled

to benefits belonging to the new post in a form that are not less advantageous than the corresponding benefits that he or she received in the office of municipal manager.

Municipal managers can be elected for an indefinite or a fixed period. Mayors may be elected for a period not exceeding a council term. The term of the mayor shall continue until a new mayor or municipal manager is elected.

If no-one obtains over half of the votes cast in the election for municipal manager or mayor, a new election shall be held between the two candidates who received most votes. In this election, the person receiving most votes shall be elected. The election for mayor shall be held before the election of the municipal board.

The municipal manager or the mayor shall be entitled to speak on behalf of the municipal board and to obtain information from municipal authorities and view documents, unless the provisions regarding confidentiality require otherwise.

#### *Section 24 a (29.6.2006/578)*

##### *Deputy mayors*

In addition to a mayor, local authorities may have deputy mayors. Deputy mayors are elected by the council. The deputy mayor is an elected official, whose term is regulated by the provisions on the term of mayors in subsection (3) of section 24.

Regulations on the duties of the deputy mayor are given in the standing order of the local authority. The election for a deputy mayor acting as chairman of a committee shall be held before the election of the committee concerned.

Section 24 a, added to Act 578/2006, will come into effect on 1 August 2006.

#### *Section 25*

##### *Dismissal of municipal managers or their transfer to other duties*

The council may dismiss the municipal manager or transfer him to other duties if he no longer enjoys the confidence of the council.

The matter is instituted at the proposal of the municipal board or if at least one quarter of the councillors submit an initiative to this effect. When the matter is being prepared the municipal manager shall be informed of the basis for the loss of confidence, and shall be given an opportunity to be heard.

For the decision referred to in subsection (1) above to be taken, it must be supported by two thirds of all the councillors. The decision can be put into effect immediately. At the same time, the municipal manager can be relieved of his duties.

## **Chapter 4 Local residents' right of participation**

#### *Section 26*

##### *Suffrage and voting rights*

In municipal elections held in a local authority, all citizens of Finland, other European Union Member States, Iceland and Norway who reach the age of 18 on the election date at the latest, and whose domicile as referred to in the Act on Domicile is that local authority according to the data in the population data system at the end of the 51st day before the

election, shall have suffrage. Other foreigners fulfilling these preconditions also have suffrage in municipal elections if they have been domiciled in Finland for two years at that date. (22.12.1995/1647)

In consultative referenda held in a local authority, citizens of Finland, other European Union Member States, Iceland and Norway who reach the age of 18 on the referendum date at the latest and whose domicile as referred to in the Act on Domicile is that local authority according to the data in the population data system at the end of the 51st day before the election, shall have suffrage. Other foreigners fulfilling these preconditions also have voting rights in a municipal referendum if they have been domiciled in Finland for two years at that date. (22.12.1995/1647)

Voting rights in a referendum concerning a component area of a local authority can only be exercised by persons living in that area.

### *Section 27*

#### *Opportunities to participate and exert influence*

The council shall ensure that local residents and service users have opportunities to participate in and influence their local authority's operations.

Specifically, participation and influence can be furthered:

- 1) by electing representatives of service users to municipal organs;
- 2) by setting up administrations for component areas of a local authority;
- 3) by providing information about local affairs and holding hearings;
- 4) by finding out residents' opinions before taking decisions;
- 5) by providing for cooperation in managing the local authority's functions;
- 6) by helping residents to manage, prepare and plan matters on their own initiative;  
and
- 7) by arranging municipal referenda.

### *Section 28*

#### *Right of initiative*

Local residents have the right to submit initiatives to the local authority in matters related to its operations. Persons submitting initiatives shall be informed of action taken as a result of an initiative. At least once a year, the council shall be informed of all initiatives submitted in matters within its purview and of action taken as a result.

If the persons submitting an initiative on a matter within the purview of the council represent at least two per cent of the local residents entitled to vote, the matter shall be considered by the council not later than six months after the matter is instituted.

### *Section 29*

#### *Information*

Local authorities shall inform their residents about matters that they are considering, plans concerning them, the processing of matters, decisions taken and their effects. If necessary, local authorities shall compile surveys on matters related to municipal services, finances, environmental protection and land use. Residents shall also be told how they can submit questions and opinions to drafters and decision-makers concerning these matters.

When some local function has been delegated to a corporation or foundation, local authorities shall inform their residents about the operations of said corporation or foundation in some suitable manner.

*Section 30*  
*Municipal referenda*

The council can decide to hold a referendum on any matter resting with the local authority.

Referenda are advisory.

A referendum can be held on a matter concerning the whole area of the local authority or some component area. Said component area shall then comprise one or more voting districts as referred to in the Act on Municipal Elections.

All persons entitled to vote shall have an equal voting right. Voting shall be confidential. There are separate provisions on the procedure to be followed in a municipal referendum.

*Section 31*  
*Referendum proposals*

Local residents representing at least five per cent of those entitled to vote may initiate a referendum. The council shall decide without delay whether to hold a referendum as proposed.

## Chapter 5 Elected officials

*Section 32*  
*Municipal elected officials*

The elected officials in a local authority shall comprise the councillors and deputy councillors, the members elected to municipal organs, the members elected by the local authority on joint municipal board organs and other persons chosen for elective office in the local authority. A municipal officeholder or employee elected a member of a municipal organ by virtue of their function shall not be considered a municipal elected official, however.

Elected officials shall promote the good of the local authority and its residents and act with dignity in their elective office in the manner required by their function. At the request of the council or the organ concerned, elected officials or persons who are candidates for some elective office other than councillor shall present an account of any factors that may be significant in assessing their qualification or disqualification for election.

What is provided regarding a municipal elected official shall apply as appropriate to any person elected by a local authority to an elective office with the State.

*Section 32 a (29.6.2006/578)*  
*The position of mayor and deputy mayor as elected official*

Persons who are not qualified for election to the municipal board or a committee or who are not domiciled in the local authority are, however, qualified for election to mayor or deputy mayor. Persons elected mayor or deputy mayor shall not forfeit their qualification for election to the council. The council may decide that the mayor and the deputy mayor shall be councillors of the local authority concerned.

Persons who have submitted a written consent may be elected mayor and deputy mayor.

The council shall decide on the pay and remuneration of mayors and deputy mayors. Mayors and deputy mayors shall be entitled to annual leave, sick leave and family leave on the same grounds as municipal elected officials.

Section 32 a, added to Act 578/2006, will come into effect on 1 August 2006.

*Section 32 b (29.6.2006/578)*

Right of municipal elected officials to leave of absence for the performance of elective offices  
If agreed with the employer, municipal elected officials are entitled to absence of leave for the participation in meetings of the municipal organ concerned. The employer may not, without good, acceptable reason, refuse to agree to the participation of the employer in meetings of the municipal organ concerned.

The municipal elected official shall agree with the employer upon absences of leave needed for the performance of other elective offices designated by the local authority than those referred to in subsection (1).

Municipal elected officials shall, when informed, without delay let the employer know of the scheduled meetings of the organ and the positions of trust designated by the local authority. The employer shall upon request submit a written statement stating the reasons for the refusal.

Section 32 b, added to Act 578/2006, will come into effect on 1 August 2006.

*Section 33*

*General qualifications for election*

Those qualified for election to a municipal elective office shall be persons:

- 1) domiciled in the local authority concerned;
- 2) entitled to vote in municipal elections in a local authority in the year in which councillors are elected or an election for some other elective office is held; and
- 3) who are not under guardianship.

Only persons who have stated in writing that they are willing to accept the post of councillor may be proposed as candidates for election to the council.

*Section 34*

*Qualifications for election to a council*

The following are not qualified for election to a council:

- 1) State civil servants performing supervisory functions directly connected with municipal administration;
- 2) persons employed by local authorities in a managerial function related to the purview of the municipal board or a committee or in some comparable responsible function;
- 3) persons employed by a corporation or foundation governed by a local authority whose standing is comparable to that of persons employed by a local authority as referred to in subsection 2; or
- 4) in the case of the council of a local authority which is a member of a joint municipal board, persons employed by said joint municipal board whose standing is comparable to that of persons employed by a local authority as referred to in subsection 2.

Persons employed as referred to above shall be qualified for election to a council if their employment relationship ends before the councillors' term begins.

### *Section 35*

#### *Qualifications for election to a municipal board*

Persons qualified for election to a council shall be considered qualified for election to a municipal board, though not in the case of:

- 1) persons employed by a local authority in its central administration subordinate to the municipal board;
- 2) persons employed by a local authority who are responsible for the drafting of matters to be placed before the municipal board as a referendary or otherwise; and
- 3) persons who are members of the board or some comparable organ or perform a managerial or responsible function or have comparable status in a corporation engaged in business operations, if decisions on matters normally dealt with by the municipal board could well cause this corporation substantial advantage or disadvantage.

The chairman of the board or comparable organ in a corporation concerned with the interests of staff in the local authority concerned shall not be qualified for election to the municipal board. Similarly, persons responsible for interests as a corporate negotiator or in some other comparable capacity shall not be qualified for election.

The majority of municipal board members shall not be persons employed by a corporation or foundation owned or governed by the local authority.

### *Section 36*

#### *Qualifications for election to other organs*

Persons qualified for election to a council shall be qualified for election to a committee, though not the following:

- 1) Persons employed by the local authority subordinate to the committee concerned;
- 2) persons employed by a corporation or foundation governed by the local authority and operating in the purview of the committee concerned; and
- 3) persons who are members of the board or some comparable organ or perform a managerial or responsible function or have comparable status in a corporation engaged in business operations, if decisions on matters normally dealt with by the committee concerned could well cause this corporation substantial advantage or disadvantage.

(1.2.2002/81)

What is provided in subsection (2) of section 35, shall apply to any organ dealing primarily with personnel affairs.

Persons who are not qualified for election to the municipal board or a committee or who are not domiciled in the local authority are, however, qualified for election to a board of management or a commission.

### *Section 37*

#### *Forfeiting qualification for election*

If an elected official forfeits his qualification for election, the organ to which he belongs shall declare his elective office terminated. In the case of a councillor, the decision shall be made by the council. The decision takes effect immediately.

Elected officials shall not forfeit their qualification for election to an organ if they are engaged temporarily, for not more than six months, in an employment referred to in sections 34 or

35, or subsection (1) of section 36. While said employment lasts, however, they may not hold their elective office.

### *Section 38*

#### *Refusal to accept office and resignation*

Persons who have reached the age of 60 or have held the same elective office, or one in the same organ, for the four previous years or have held a municipal elective office for altogether eight years have the right to refuse to accept office.

An elective office can also be refused for some other acceptable reason. The organ to which the elected official belongs shall decide whether to accept the refusal. In the case of a councillor or deputy councillor, this decision shall be made by the council.

An elective office can be resigned for an acceptable reason. The organ to which the elected official belongs shall decide whether to accept the resignation. The council shall decide whether to accept the resignation of councillors and deputy councillors.

### *Section 39*

#### *Performance of elective offices*

Elected officials shall remain in office for the period for which they are elected, and thereafter until some other person is elected to the office. If an elective office falls vacant in mid term, a new elected official shall be appointed for the rest of the term.

An elected official shall also remain in office until the matter is finally settled:

- 1) if the election of an elected official is appealed;
- 2) if a refusal or a resignation has not been accepted; or
- 3) if the municipal board has failed to implement the council's election decision under section 56 below.

### *Section 40*

#### *Incorrect procedure in elective office*

If an elected official can be suspected on probable grounds of being guilty of an offence in office or of otherwise acting contrary to his duties, the municipal board shall demand an explanation from him and if necessary inform the council of the matter. If an offence in office has clearly been committed, it shall be reported to the police without delay.

The council may suspend an elected official for the period of an investigation or legal proceedings. Before the council meets, the chairman of the council may decide temporarily on said suspension. The suspension decision can be put into effect immediately.

(1.2.2002/81)

### *Section 41*

#### *Criminal acts outside elective office*

If an elected official is charged with a crime of a nature or type indicating that he cannot perform his elective function in the proper manner, the council may suspend him for the period of the legal proceedings. The suspension decision can be put into effect immediately.

(1.2.2002/81)

If an elected official is sentenced to at least six months' imprisonment by a legally valid judgement after being elected, the council may dismiss him from his elective office. The decision takes effect immediately.



*Section 42*  
*Fees and compensation*

Elected officials shall be paid:

- 1) meeting fees;
- 2) compensation for loss of income and costs arising from hiring a replacement, arranging child care or other comparable reasons arising from elective office; and
- 3) compensation for travel costs and a daily allowance.

Elected officials may also be paid a fee for a fixed period, and other separate fees.

*Section 43*  
*Right to information*

Elected officials are entitled to information from municipal authorities and to see documents that they consider necessary for their work unless the provisions on confidentiality require otherwise.

## **Chapter 6** **Personnel**

*Section 44 (11.4.2003/305)*  
*Municipal personnel*

Persons employed by a local authority shall have a civil service relationship with, or be under contract of employment to, the local authority. What is separately provided shall apply concerning civil service relationship and employment relationships under contract.

Functions that involve the use of public power shall be performed in a civil service relationship. An office shall be created for these functions. A person can, for a justified reason, be employed in a civil service relationship to perform such functions without an office being created for the purpose.

*Sections 44 a to 44 b*

Sections 44 a to 44 b were repealed by the Act of 11 April 2003, No. 305.

*Section 45 (11.4.2003/305)*  
*Creation and termination of offices*

The council or some other municipal organ specified in the standing order shall decide on the creation or termination of offices.

If an office where no public powers are exercised becomes vacant, it shall be terminated.

*Section 46 (11.4.2003/305)*  
*Conversion of a service relationship into an employment relationship*

The employer may decide to converse a service relationship into an employment relationship if the office does not involve the use of public power and the employer has offered the officeholder a function in an employment relationship at least on the previous conditions of employment and presented the officeholder with written information on the principal terms of work referred to in chapter 2, section 4 of the Employment Contracts Act (55/2001). Once the decision has become final, the service relationship is converted into an employment relationship in compliance with the offer made by employer as referred to in this section.

*Sections 47 to 49*

Sections 47 to 49 were repealed by the Act of 11 April 2003, No. 305.

## **Chapter 7 Municipal administration procedure**

*Section 50*

*Administrative regulations*

The council shall approve administrative regulations containing the necessary stipulations on at least the following:

- 1) assembly of organs;
- 2) calling in deputy members;
- 3) functions of the chairmen of organs;
- 4) temporary chairmen of meetings;
- 5) presence and right to speak of representatives of municipal boards and municipal managers at meetings of other organs;
- 6) presence and right to speak of persons other than members at meetings of organs;
- 7) proposals;
- 8) drafting, scrutiny and public availability for inspection of minutes;
- 9) signing of documents;
- 10) charges collected for copies of documents and the provision of access to information according to the stipulations in Section 34 (23.6.2005/496) of the Act on the Openness of Government Activities (621/1999).
- 11) information;
- 12) procedures when a matter is referred to a higher organ;
- 13) financial management of a local authority; and
- 14) auditing the administration and finances.

The administrative regulations of a bilingual local authority shall contain the necessary stipulations on how services will be provided on the same basis to residents in both language groups.

The administrative regulations can also stipulate that persons over the age of 15 have the right to attend and speak at meetings of boards of management.

*Section 51 (29.6.2006/578)*

*Referring matters to a higher organ*

Municipal boards, chairmen of municipal boards, municipal managers or municipal officeholders specified in the standing order can place before the municipal board matters delegated under this Act to an authority subordinate to the municipal board or a division of the municipal board, on which the authority concerned has taken a decision.

What is provided in subsection (1) likewise applies to committees, their chairmen or municipal officeholders specified in standing orders in the case of matters delegated to an authority subordinate to the committee or a sub-committee, if the municipal board, chairman of the municipal board, municipal manager or municipal officeholder specified in the standing order as referred to in subsection (1) has not stated that the matter is being placed before the municipal board.

The standing order may specify that a board of management, its chairman or a municipal officeholder may place before the board of management matters delegated under this Act to

an authority subordinate to the board of management, on which the authority concerned has taken a decision. In such cases the matter may not be placed before the committee subordinate to the board of management. If it has been decided to place the matter before both the board of management and the municipal board, the matter will be dealt with by the municipal board.

Matters must be referred to higher organs at the latest within the period laid down in section 89 as that within which demands for rectification of decisions must be made.

However, the following matters may not be referred to a higher organ:

- 1) matters related to permit, notification, supervision or performance procedures in accordance with an act or decree;
- 2) education, health care or social welfare matters affecting the individual; or
- 3) matters delegated to joint municipal organs referred to in section 77, if the local authorities concerned have taken this decision.

*Section 52 (5.12.2003/1034)*

*Disqualification*

In the council, councillors shall be disqualified from dealing with matters that personally concern them or a close relation or person comparable to a close relation as referred to in subsections (2) and (3) of section 28 of the Administrative Procedure Act (434/2003). When councillors are involved in dealing with a matter in some other organ, what is provided regarding the disqualification of a member of that organ shall apply to them.

What is provided in sections 27 to 30 of the Administrative Procedure Act shall apply regarding the disqualification of other elected officials, auditors and municipal officeholders and employees.

The service relationship with a local authority referred to in paragraph 4 of subsection (1) of section 28 of the Administrative Procedure Act shall not, however, disqualify elected officials or officeholders or employees in matters in which the local authority is a party. If elected officials have proposed matters or otherwise dealt similarly with them by virtue of their service relationship, however, they shall be disqualified.

Section 28, subsection (1), paragraph 5 of the Administrative Procedure Act shall not apply to municipal enterprises. Section 28, subsection (1), paragraph 6 of the Administrative Procedure Act shall not apply to local authorities.

Disqualified persons shall state that they are disqualified.

*Section 53 (1.2.2002/81)*

*Preparing matters to be placed before the council*

The municipal board shall prepare matters for the council with the exception of those that concern the internal arrangement of council operations or those prepared by the temporary committee referred to in section 22 or the auditing committee referred to in section 71.

The temporary committee shall obtain an opinion from the municipal board on matters that are subject to preparation by the committee.

*Section 54*  
*Assembly of the council*

The council shall meet at times specified by itself, and also when the chairman of the council considers this necessary.

The council shall also be convened when the municipal board or at least one quarter of the councillors so requests, to deal with a stated matter. Such matters shall be prepared urgently.

The council shall be convened by the chairman. The first meeting of the council shall be convened by the chairman of the municipal board, and opened by the most senior councillor, who shall hold the chair until the council chairman and vice-chairmen have been elected. Meeting notices must list the agenda.

Meeting notices shall be sent out at least four days beforehand. Public notices of meetings shall be issued in the same period, as provided in section 64 below.

*Section 55*  
*Council agendas*

Councils may deal with all matters mentioned in the meeting notice and prepared in the manner referred to in section 53.

If a matter is urgent, the council may decide to include it on the agenda even if it is not mentioned in the meeting notice. If the matter has not been prepared, the decision to include it on the agenda must be unanimous.

*Section 56*  
*Ensuring the legality of council decisions*

If the municipal board considers that a council decision was not taken in the proper order or that the council exceeded its powers or that the decision is otherwise illegal, it shall not put the decision into effect. The matter shall immediately be referred back to the council.

If the council stands by its decision, the municipal board shall ask the administrative court to determine whether there are any legal obstacles to putting it into effect. The administrative court may not rule on the matter until the period for appealing the decision has ended.  
(26.3.1999/435)

*Section 57 (21.5.1999/622)*  
*Openness of meetings*

Council meetings shall be open unless the meeting is dealing with a matter or document that the law requires to be kept secret or unless the council decides otherwise for a weighty reason in the case of some matter.

Documents placed before a closed session of the council and drawn up based on the discussion at the meeting must be kept secret if the law so provides.

Meetings of organs other than the council are only open if they do not deal with a matter or document that the law requires to be kept secret, and if the organ concerned so decides.

*Section 58*  
*Quorum*

The council is quorate when at least two thirds of the councillors are present.

Organs other than the council are quorate when more than half the members are present.

### *Section 59*

#### *Voting*

If an organ is unanimous about a matter or a counter-proposal wins no support, the chairman shall declare the matter decided. Otherwise, the chairman shall announce which proposals will not be voted on because of lack of support and those to be voted on. The chairman shall propose a voting procedure for the organ's approval and, if several votes are to be taken, the order of voting, and shall table a motion on which a vote 'for' or 'against' will show the members' opinion of the proposal.

Voting shall be open. The proposal receiving most votes shall be the meeting's decision or, in the event of a tie, the proposal supported by the chairman.

### *Section 60*

#### *Elections*

In elections, the person or persons receiving most votes shall be elected.

Elections of elected officials shall be proportional if this is demanded by at least the number of those members of the organ present obtained by dividing the number present by the number to be elected, plus one. If the quotient is a fraction, it shall be rounded upwards to the nearest whole number.

Deputy members shall be elected in the same election as regular members. If the deputy members are personal, the candidates must be approved before the election and shall comprise both a regular member and his deputy. If the deputy members are not personal, those so elected shall be those gaining most votes after those elected as regular members, or the candidates gaining the highest index figures.

When a proportional election is held, what is provided regarding municipal elections shall apply, as appropriate. The council may also issue stipulations on how the election will be held. A proportional election and, if demanded, a majority election shall be by sealed ballot. In the event of a tie, the election shall be decided by lot.

### *Section 61*

#### *Dissenting opinions*

A person involved in decision-making who has made a counter-proposal or voted against a motion, and, if the decision diverges from that proposed, the referendary concerned is entitled to register a dissenting opinion. This must be done as soon as the decision is taken. Written opinions entered before the minutes are scrutinized shall be attached to the minutes.

Persons who have voted against a motion or registered a dissenting opinion shall not be responsible for the decision taken. Referendaries are responsible for decisions based on their proposals, unless they have registered dissenting opinions.

### *Section 62*

#### *Minutes*

Minutes shall be kept of all meetings of organs.

Minutes shall be kept of decisions taken by elected officials and officeholders unless this is impossible because of the nature of the decision.

### *Section 63*

#### *Public availability of minutes*

Once they have been scrutinized, the minutes of council, municipal board and committee meetings and all appended instructions for appeal or directions of redress shall be publicly available for inspection as announced in advance. The minutes of other authorities shall also be made publicly available for inspection if the authority concerned considers this necessary.

### *Section 64*

#### *Local authority announcements*

Local authority announcements shall be issued by publishing them on a notice board meant for public notices, and if necessary in some other manner decided on by the local authority.

## **Chapter 8 Municipal finances**

### *Section 65 (29.6.2006/578)*

#### *Budget and financial plans*

By the end of each year, councils shall approve a budget for the local authority for the next calendar year. When approving the budget, the council shall also approve a financial plan for three or more years (planning period). The budget year shall be the first year covered by the plan.

Operational and financial targets for the local authority shall be approved in the budget and financial plan. These shall be compiled so as to safeguard the preconditions for performing the local authority's functions.

If the balance sheet of the current year is not estimated to show accumulated surplus, the financial plan must be in balance or show a surplus during the planning period of maximum four years. If the deficit of the balance sheet cannot be covered during the planning period, decisions shall be made in connection with the preparation of the financial plan, on specified actions (action plan) to cover the deficit during a coverage period (coverage obligation) separately agreed upon by the council.

Budgets shall include the appropriations and income estimates required for the operational targets and indicate how the need for funding will be met. Appropriations and income estimates may be stated gross or net. Budgets shall have a section dealing with operational finances and an income statement, and a section on investments and funding.

Local authorities shall follow their budget in their operations and financial management. Any amendments to the budget shall be decided on by the council.

### *Section 66*

#### *Decisions on taxes*

At the latest when the budget is approved, the council shall decide on percentages for income tax and property tax in the local authority, and on the basis for other taxes.

### *Section 67*

#### *Bookkeeping*

In addition to what is provided in this Act, what is provided in the Accounting Act (655/73) shall apply as applicable to the accounting duty, bookkeeping and financial statements of local authorities. The municipal sub-committee of the accounting committee shall issue

instructions and opinions about the application of the Accounting Act and sections 68-70 of this Act.

*Section 68 (29.6.2006/578)*

*Financial statements*

The financial year of local authorities shall be the calendar year. Financial statements on each financial year shall be drawn up by the end of March of the following year, submitted to the auditors for inspection, and after audit placed before the council by the end of June of the same year.

The financial statements shall comprise a balance sheet, an income statement, a statement of source and application of funds and notes on them and a budget review and a report on operations.

The annual accounts shall give a true and fair view of the result of the operations and financial position of the local authority. The necessary additional information shall be presented in the notes.

A local authority having governing authority, as referred to in the Accounting Act, in some other body required to keep accounts shall include a consolidated balance sheet and notes thereon in its financial statements. The Accounting Act shall be observed, as applicable, in compiling this consolidated balance sheet.

Financial statements shall be signed by the members of the municipal board and the municipal manager or the mayor.

*Section 69 (29.6.2006/578)*

*Report on operations*

The report on operations shall provide an account of how far the operational and financial targets set by the council have been achieved. It shall also provide information on any important matters connected with the local authority's finances and consolidated balance sheet that do not have to be reported in the income statement or balance sheet.

If the balance sheet of the local authority shows an uncovered deficit, the report on operations shall include information on the actions taken to balance the finances in the financial period and on the adequacy of the current financial plan and action plan for balancing the finances.

In the report on operations the municipal board shall make a proposal for measures deriving from the financial result for the year.

*Section 70 (29.6.2006/578)*

Section 70 was repealed by the Act of 29.06.2006, No. 578.

## Chapter 9 Auditing the administration and finances

### *Section 71 (29.6.2006/578)*

#### *Auditing Committee*

Councils shall set up an auditing committee to arrange for audits of the administration and finances during the years of its term. The chairman and vice-chairman of the committee shall be councillors.

Auditing committees shall prepare matters related to audits of the administration and finances for decisions by the council and assess whether the operational and financial targets set by the council have been achieved.

If the balance sheet of the local authority shows an uncovered deficit, the auditing committee shall assess the balancing of finances in the financial year and the adequacy of the current financial plan and action plan for balancing the finances.

The following do not qualify for membership of an auditing committee:

- 1) members of the municipal board;
- 2) deputy mayor;
- 3) persons related to a member of the municipal board or the municipal manager. the mayor of the deputy mayor in the manner referred to in subsections (2) and (3) of section 28 of the Administrative Procedure Act;
- 4) persons in the permanent service of the local authority or of a corporation or foundation governed by the local authority; or
- 5) persons not qualified for election to the municipal board.

### *Section 72*

#### *Auditors*

The council shall elect one or more auditors to audit the administration and finances during the years of its term; said auditors shall be publicly liable. Auditors shall be persons (CPFA auditors) or corporations (CPFA corporations) authorized by the Public Administration and Finance Auditing Committee. Corporations shall appoint a CPFA auditor chartered by this Committee. If only one auditor is elected, rather than a corporation, at least one deputy auditor shall be elected. What is provided regarding auditors shall also apply to deputy auditors. Councils may dismiss auditors in the middle of their term. Auditors can resign in the middle of their term by so informing the council. There are separate provisions on CPFA corporations chartered by the above-mentioned Committee.

Auditors must be able to perform impartial audits. If the preconditions for an impartial audit do not exist, auditors shall refuse to accept or give up the assignment.

Persons not qualified to be elected members of an auditing committee according to subsection (3) of section 71 above shall not act as auditors. However, persons not domiciled in the local authority may be elected auditors.

### *Section 73*

#### *Functions of auditors*

By the end of May at the latest, auditors shall have audited the administration, bookkeeping and financial statements in accordance with good auditing practice. Auditors shall consider whether:



- 1) the local authority has been administered in accordance with the law and council decisions;
- 2) the local authority's financial statements and consolidated balance sheet have been drawn up in accordance with the rules and regulations on the compilation of financial statements and whether they give correct and adequate information on operations, finances, financial developments and financial liabilities during the financial year;
- 3) the information given on the bases for and use of government grants is correct; and
- 4) the local authority's internal supervision is properly arranged.

Auditors shall follow any special instructions issued by the council and the auditing committee as long as these do not conflict with the law, the local authority's standing order or good auditing practice.

Auditors shall immediately report to the auditing committee and if necessary also to the municipal board, any irregularities that they observe.

*Section 74 (21.05.1999/622)*

*Auditing committees' and auditors' right to information*

Members of auditing committees and auditors are entitled to obtain information from municipal authorities and to view documents that they consider necessary in order to carry out their auditing assignment, notwithstanding provisions concerning confidentiality.

*Section 75*

*Auditors' report and its processing*

Auditors shall provide the council with a report on each financial year, presenting the results of their audit. Reports shall also state whether the financial statements can be approved and whether members of the organ and the senior officeholder in the area covered by the organ concerned (person liable to render accounts) can be released from liability.

If the auditors consider that the local authority's administration and finances have been managed contrary to the law or council decisions, and the error or resulting loss is not slight, the auditors' report shall include an admonition of the person concerned. The council may not be admonished in this way.

The auditing committee shall obtain an explanation from the person concerned regarding an admonition in the auditors' report, and a statement from the municipal board. The council shall decide on any action prompted by the auditing committee's preparatory work, the auditors' report and any admonitions in it. The council shall decide whether to release those liable to render accounts when it approves the financial statements.

## **Chapter 10 Municipal co-operation**

*Section 76*

*Forms of cooperation*

By virtue of an agreement, local authorities may perform their functions jointly.

Local authorities may agree to have a function performed by one local authority on behalf of one or more other local authorities, or that a function will be performed by a joint municipal board.

Local authorities may also agree that a function prescribed by law as resting with a local authority or one of its authorities, in which power can be delegated to an officeholder, shall be delegated with public liability to an officeholder in another local authority.

A local authority's duty to belong to a joint municipal board in a given sector and in some specified area is provided for separately.

*Section 77*  
*Joint organs*

When a local authority performs a function on behalf of one or more other local authorities by virtue of an agreement, it is possible to agree that some of the members of the organ performing the function in the first-mentioned local authority shall be elected by the other local authorities.

Persons qualifying for election to the corresponding organ in the local authorities concerned may be members of the organ.

If the minutes of the organ have to be made publicly available for inspection this shall take place as laid down in section 63 in all the local authorities party to the agreement.

*Section 78*  
*Charters of joint municipal boards*

Joint municipal boards shall be set up under an agreement between the local authorities concerned which has been approved by their councils (charter).

The charter shall state the name of the joint municipal board, its domicile, the local authorities that are members and its functions. The name of the board shall include the phrase 'joint municipal board'.

The charter shall agree on:

- 1) the manner in which decision-making is organized in the joint municipal board;
- 2) the number of members on the joint municipal board's organs or of delegates to the general assembly, and the basis for their voting power;
- 3) the functions and powers of any general assembly;
- 4) the joint municipal board organ that will watch over the board's interests, represent it and make agreements on its behalf, and the way in which the right to sign for the board is decided on;
- 5) the percentage of the board's assets contributed by its member authorities and their liability for its debts, and other matters concerning the board's finances;
- 6) the standing of a member authority resigning from the board and of authorities continuing to be members;
- 7) audit of the board's administration and finances; and
- 8) how the joint municipal board will be dissolved and its affairs wound up.

The charter may also agree that a qualified majority is required for a decision to be taken on certain matters specified in it.

The provincial State office in the province where the joint municipal board is domiciled shall be notified when a joint municipal board is founded and dissolved. A copy of the charter and of the council decisions approving it shall be appended to the notification on founding.

*Section 79 (01.02.2002/81)*

*Amending a charter*

A charter can be amended if the motion is supported by at least two thirds of member authorities which jointly have a population of at least half the combined population of all the member authorities.

If a local authority is required by law to be a member of a joint municipal board in a given sector and specific area, no member authority can be required to contribute without its consent to the performance of new voluntary functions and to the costs thereof.

*Section 80*

*Contractual capacity of joint municipal boards*

Joint municipal boards can acquire rights and enter commitments and have the right to be heard in courts of law and before other authorities.

*Section 81*

*Organs of joint municipal boards*

Decision-making authority on joint municipal boards rests either with the member authorities at the general assembly or with an organ designated in the charter and elected by the member authorities.

Joint municipal boards may also have other organs as specified in the charter.

General assemblies shall be held at least twice a year. Representatives to general assemblies shall be elected by the board of each member local authority or by some other municipal organ specified by the council.

The composition of organs other than those referred to in subsection (1) shall be adjusted such as to correspond to the proportion of votes obtained within the area of the joint municipal board by the various groups represented on the councils of member local authorities, in accordance with the proportionality principle laid down in the Municipal Elections Act.

*Section 82*

*Qualifications for election to organs of joint municipal boards*

Persons qualified for election to a municipal elective office under section 33 are qualified for election to organs of joint municipal boards. The persons referred to in paragraph 1 of subsection (1) of section 34 or persons in the permanent service of a local authority, shall not, however, be qualified for election.

Furthermore, persons who are members of the board or some comparable organ or perform a managerial or responsible function or have comparable status in a corporation engaged in business operations shall not be qualified for election to the organs referred to in subsection (1) of section 81, if decisions on matters normally dealt with by said organs could well cause this corporation substantial advantage or disadvantage.

However, a person who does not qualify for election to a joint municipal board's other organs, or whose local authority of domicile is not a member of the joint municipal board, can be elected to a board of management or a commission. (1.2.2002/81)

It can be agreed in the charter that the members and deputy members of any organ of the joint municipal board other than the general assembly shall be councillors of member authorities.

### *Section 83*

#### *Financing of joint municipal boards*

Member authorities shall be liable to finance joint municipal board expenses that are not otherwise covered as agreed in the charter regarding the sharing of liability between member authorities.

### *Section 84*

#### *Resignation from a joint municipal board*

A member authority may resign from a joint municipal board. If the charter does not state otherwise, such resignation shall take place at the end of its councillors' term assuming that the member authority has announced its intention to resign by the end of the calendar year prior to the end of the term.

### *Section 85*

#### *Public availability of minutes in the joint municipal board*

Once they have been signed, the minutes of a joint municipal board organ referred to in subsection (1) of section 81 and any appended directions of redress, shall be publicly available for inspection. Before they are made available for inspection, a copy of the minutes shall be sent to the municipal board in each member authority. Member local authorities and their members shall be considered to have been informed of the decisions mentioned in the minutes on the day on which the minutes were made available for inspection.

The minutes of other joint municipal board authorities shall be publicly available for inspection if the body referred to in subsection (1) of section 81 so decides, and the authority concerned considers this necessary.

### *Section 86*

#### *Application of provisions concerning local authorities in a joint municipal board*

The provisions on joint municipal boards in sections 2, 3, 8 and 12–15, 15 a, 15 b and 16–18, subsection (1) of section 19, sections 20–23, 27–29, 32, 32 b, 33 and 37–43 and in chapters 6–9 shall apply in the case of joint municipal boards, as appropriate, with the exception of the duty to cover a deficit laid down in subsection (3) of section 65. What is provided in subsection (2) of section 8 shall not apply to a joint municipal board as referred to in subsection 4 of section 76. (29.6.2006/578)

What is provided in subsection (1) of section 57 concerning public access to council meetings shall also be valid with regard to public access to general assemblies of joint municipal boards. What is provided in subsection (1) of section 52, concerning the disqualification of councillors shall also be valid with regard to the disqualification of general assembly delegates.

If a joint municipal board has only one organ, its member authorities shall elect the auditing committee and auditors, and decide whether to grant release from liability, as agreed in the charter.

What is provided in section 25 concerning a municipal manager shall be valid, as applicable, to the dismissal or transfer to other duties of an officeholder in charge of a joint municipal board as referred to in subsection 4 of section 76 above. For a decision to be valid, it must be supported by two thirds of the total number of votes cast by all the member authorities, as specified in the charter.

*Section 86 a (15.1.1999/10)*

*Composition and election of regional council organs*

The members of the supreme decision-making body of a regional council as referred to in section 2 of the Regional Development Act (1135/1993) must be councillors in the member local authorities, and in elections the proportion of votes exercised by the groups represented on the organ must correspond to the proportion of votes exercised by the groups represented on the councils of the member local authorities in the region concerned, in accordance with the principle of proportionality laid down in the Electoral Act (714/1998). Each member authority must have at least one representative on the supreme decision-making organ of the regional council.

What is provided in subsection (4) of section 81 applies regarding the composition of other regional council organs.

*Section 87*

*Arbitration*

An agreement on intermunicipal cooperation may specify that any disputes arising from it shall be settled as laid down in the Arbitration Act (967/92).

## **Chapter 11 Demands for rectification and appeal of local authority decisions**

*Section 88*

*Applying the provisions of this chapter*

The provisions of this chapter shall apply to demands for rectification and appeals against decisions taken by local authorities and joint municipal boards unless otherwise specified separately by law. If it is possible to appeal a local authority decision by virtue of some other law, section 89 shall not apply.

*Section 89*

*Demands for rectification*

Whosoever is dissatisfied with the decision of a municipal board or committee, a division or sub-committee, or a subordinate authority may submit a written demand for rectification. Decisions may not be appealed.

A demand for rectification of a decision by the organ, division, sub-committee or subordinate authority referred to in subsection (1) shall be submitted to the organ concerned. If the standing order, under section 51, specifies that a decision may be placed before the board of management, the demand for rectification of the decision of the board of management and its subordinate authorities must be made to the board of management. A demand for rectification shall be dealt with immediately. (29.6.2006/578)

If the municipal board has, under section 51, taken up a matter decided by a committee, a sub-committee or a subordinate authority, a demand for rectification of said decision shall be dealt with by the municipal board.

### *Section 90*

#### *Appeals of decisions taken by local authorities*

Appeals of decisions concerning demands for rectification taken by councils and the organs of joint municipal boards referred to in subsection (1) of section 81, and by municipal boards and committees, shall be addressed to an administrative court. (26.3.1999/435)

A decision can be appealed on the grounds that:

- 1) it was not taken in the proper order;
- 2) the authority taking the decision exceeded its authority; or
- 3) the decision is otherwise illegal.

The appellant must state the grounds for appeal as referred to in subsection (2) before the appeal period expires. (15.11.1996/844)

### *Section 91*

#### *Decisions subject to rectification or appeal*

Demands for rectification and appeals of local authority decisions may not be submitted in the case of decisions concerning only preparatory work or implementation.

### *Section 92*

#### *Right to demand rectification and appeal*

Demands for rectification and appeals of local authority decisions may be submitted by the party affected by a decision or whose rights, duties or entitlements a decision directly concerns (interested party), or by a member of a local authority.

Demands for rectification and appeals of local authority decisions in the case of decisions by a joint municipal board authority may also be submitted by a local authority which is a member of the joint municipal board and by any of that authority's members and, in the case of decision by a joint municipal organ, by any local authority party to the agreement concerned and any of its members.

Decisions issued on demands for rectification can be appealed through an appeal of local authority decision only by the party that submitted the demand. If a decision has been amended as a result of a demand for rectification, it can be appealed through an appeal of local authority decision also by a party entitled to submit such appeal by virtue of subsection (1) or (2).

### *Section 93*

#### *Period for demands for rectification and appeals*

A demand for rectification shall be submitted within 14 days, and an appeal of a local authority decision within 30 days, of being informed of the decision.

### *Section 94*

#### *Instructions for demands for rectification and directions of redress*

Directions of redress shall be appended to decisions on which appeals of local authority decisions can be submitted.

Instructions on how to demand rectification shall be appended to decisions on which demands for rectification can be submitted.

A note to the effect that they cannot be appealed shall be attached to decisions on which neither demands for rectification nor appeals of local authority decisions can be submitted.

Otherwise, what is provided in the Administrative Judicial Procedure Act (586/96) shall apply regarding prohibitions on appeal. (15.11.1996/844)

#### *Section 95*

##### *Notifications of decisions*

For their information, interested parties shall be sent an extract from the minutes separately by letter concerning decisions with instructions on how to demand rectification or directions of redress. Interested parties are considered to have been notified of decisions within seven days of dispatch of the letter unless otherwise demonstrated.

Members of local authorities are considered to have been notified of decisions when the minutes concerned have been made publicly available for inspection.

#### *Section 96*

##### *Information about decisions*

An extract from the minutes with instructions on demanding rectification or directions of redress shall be sent to any person so requesting.

#### *Section 97*

##### *Further appeal*

Decisions of administrative courts shall be appealed to the Supreme Administrative Court. Notices of decisions shall immediately be placed on the municipal notice board of the local authority, the joint municipal board or other interested local authorities. (26.3.1999/435)

The appeal period shall be counted from the date on which notice of a decision is so published. If an interested party is notified separately about a decision, however, the appeal period is counted from such notification.

#### *Section 98*

##### *Eligibility of decisions for implementation*

Decisions may be put into effect before they take on legal force. However, a decision may not be put into effect if implementation would render a demand for rectification or appeal of local authority decision useless or if the organ or appellate authority dealing with the demand for rectification forbids this.

#### *Section 99*

##### *Prohibition on appeal*

A council decision to hold a municipal referendum may not be appealed.

#### *Section 100 (15.11.1996/844)*

##### *Other provisions on appeal of local authority decisions*

What is provided in the Administrative Judicial Procedure Act shall also apply to appeal of local authority decisions.

## Chapter 12 Implementing and transitional provisions

### *Section 101*

#### *Entry into force*

This Act comes into force on July 1, 1995. Chapters 8 and 9 of the Act, however, come into force on January 1, 1997.

This Act repeals the Municipalities Act of December 11, 1976 (953/1976), hereinafter the 1976 Municipalities Act, and all later amendments to it. Until such time as chapters 8 and 9 of this Act come into force, the corresponding provisions of the 1976 Municipalities Act shall be observed instead, though notwithstanding subsection (3) of section 92, and subsection (2) of section 94 of the 1976 Municipalities Act, councils may decide that one auditor shall be chartered public finance auditor as referred to in section 72 of this Act and that auditors can also be assisted by persons elected by the council and so commissioned by the local authority.

Measures needed to enforce this Act can be taken before it comes into effect.

### *Section 102*

#### *Application of provisions elsewhere in the law*

If there are provisions elsewhere in the law stating that a provision in the 1976 Municipalities Act shall be observed, what is provided in this Act shall be observed instead, as applicable.

Provisions elsewhere in the law making a distinction between cities and other municipalities shall apply to local authorities according to their category on December 31, 1976.

What this Act provides concerning municipal income tax shall apply as appropriate to what is provided concerning municipal tax elsewhere in the law.

### *Section 103*

#### *Transitional provisions concerning standing orders, elected officials and municipal managers*

The standing order in force in a local authority when this Act comes into force shall be observed until otherwise decided under this Act. If a stipulation in a standing order conflicts with this Act, the latter shall be observed.

What is provided in the 1976 Municipalities Act shall apply concerning the qualification for election of officials elected before this Act comes into force.

Conversion of the service relationship of a municipal manager elected before this Act comes into force into a fixed-term relationship shall require the consent of the municipal manager concerned.

### *Section 104*

#### *Appeal and submission*

If a decision of a municipal authority has been made before this Act comes into force, the provisions effective when this Act comes into force shall be complied with in appeal, submission and the procedure referred to in sections 63 and 71b of the 1976 Municipalities Act.



If there are provisions elsewhere in the law regarding submission of a municipal authority decision, the provisions effective when this Act comes into force shall be complied with in submission, as applicable.

### *Section 105*

#### *Transitional provisions concerning joint municipal boards*

If the charter of a joint municipal board does not agree on a matter that section 78 of this Act requires agreement on, the provisions effective before January 1, 1993 regarding joint municipal boards shall be observed as applicable.

Joint municipal board charters shall be made to conform with this Act by the end of 1996.

Provisions on joint municipal boards elsewhere in the law shall be applied to joint municipal boards notwithstanding this Act, with the exception of those on the form taken by intermunicipal cooperation.

When a joint municipal board performs special medical care functions, what is provided in the Act on Special Medical Care (1062/1989) regarding the organs of a joint municipal board with both monolingual and bilingual local authorities as members shall correspondingly apply.