

Consolidated Act on Local Government

The following is a consolidation of the Act on Local Government, see Consolidation Act No. 1031 of 6 July 2018 as amended by Act No. 1738 of 27 December 2018 and section 5 of Act No. 1739 of 27 December 2018.

Part I

General rules

1.-(1) This Act applies to all local authorities, unless otherwise provided by the Act.

(2) The provisions of the Act apply to all aspects of local government, unless otherwise provided by law.

2.-(1) Municipal affairs are governed by local councils elected according to the rules of the Local and Regional Government Elections Act (*lov om kommunale og regionale valg*).

(2) Detailed rules for local government affairs will be laid down in bylaws adopted by the local council. The local council shall give two readings of proposals for bylaws and amendments to the bylaws with an interval of at least six days.

(3) The bylaws and amendments to the bylaws of municipalities governed by a council cabinet, see section 64, must be given assent by the Minister of the Interior and Housing. The local councils

¹ This is an unofficial translation. Only the Danish version in the Official Law Gazette (Lovtidende) has legal validity. After the Consolidated Act No. 47 of 15 January 2019 the powers attributed to the Minister of the Interior and Economic Affairs have been transferred to the Minister of the Interior and Housing. This transfer is reflected in the present translation.

of all municipalities shall notify the National Social Appeals Board (*Ankestyrelsen*) of the adoption of bylaws and amendments to bylaws. The bylaws must be available to the citizens of the municipalities.

(4) Local councils shall adopt their own rules of procedure.

3.-(1) The local council of the municipality of Copenhagen is named the City Council. The legal names of the local councils of all other municipalities will be laid down in their bylaws.

(2) The municipality of Bornholm is named the Regional Municipality of Bornholm.

(3) The chair of a local council is designated the mayor.

4.-(1) The name of a municipality may be changed only with the consent of the Minister of the Interior and Housing.

(2) The coat of arms and the seal of a municipality registered with the Danish Patent and Trademark Office (*Patent- og Varemærkestyrelsen*) are reserved to the municipal authorities of the relevant municipality.

(3) The coat of arms and the seal of a municipality reserved to the authorities of that municipality under subsection (2) prior to the discontinuation of the municipality on or after 31 December 2005 are reserved to the municipality or municipalities with which the discontinued municipality has been amalgamated if registered as historical insignias with the Danish Patent and Trademark Office. The coat of arms and the seal of a county reserved to the authorities of that county under subsection (2) prior to the discontinuation of the county on 31 December 2006 are reserved to the Ministry of the Interior and Housing if registered as historical insignias with the Danish Patent and Trademark Office.

(4) The Minister of Industry, Business and Financial Affairs shall lay down rules for the application for and for the registration, removal, etc., of the coat of arms and the seal of a municipality in or from the register and on fees for applications to or transcripts from the register.

Part II

Local councils

5.-(1) The number of councillors on a local council will be laid down in the bylaws. In municipalities with more than 20,000 inhabitants, there must be an odd number of councillors and at least 19 and no more than 31, provided always that number of councillors on the City Council of Copenhagen may not exceed 55, but see subsection (3). In municipalities with less than 20,000 inhabitants, there must be an odd number of councillors and at least 9 and no more than 31.

(2) The number of inhabitants for the purpose of subsection (1) is calculated as at 1 April of local government election years.

(3) To increase the political representation of the German minority in Southern Jutland, the Minister of the Interior and Housing may lay down rules for the minimum number of councillors to be elected to each local council.

(4) The Minister of the Interior and Housing may also lay down rules for the election of an official representative of the German minority in Southern Jutland to each local council and to a standing committee . An official representative has no voting rights. An official representative otherwise has the rights granted by legislation to councillors or, as the case may be, committee members.

6.-(1) A newly elected local council shall hold its constitutive meeting between 1 and 15 December of the local government election year, provided always that it may not convene until the existing local council has decided any election complaints and withdrawal petitions from councillors elect. The meeting must be convened by the councillor with the greatest seniority on the local council or if more councillors have been in office for the same period of time, the oldest of those councillors.

(2) At the constitutive meeting, the local council shall elect from among its councillors a chair according to the rules of section 24(1). The election must be overseen by the councillor who convened the meeting.

(3) No municipal employee may chair a local council. Moreover, the chair of a local council may not simultaneously chair a regional council.

(4) As soon as the chair has been elected, the local council shall elect from among its councillors a deputy chair, who will preside in the absence of the chair. The election must be overseen by the newly elected chair, or in his or her absence the councillor overseeing the election of the chair, and will otherwise follow the same rules as the election of the chair.

(5) It may be laid down in the bylaws that a local council shall elect from among its councillors a first deputy chair and a second deputy chair to preside, in that order, in the absence of the chair. The election must be overseen as indicated in subsection (4) as one election in accordance with the proportional representation system, see section 24(3).

(6) The chair and the deputy chair(s) are elected for the term of office of the local council.

7.-(1) Any councillor is obliged to stand for election as chair or deputy chair.

(2) Upon request, a local council may relieve the chair and the deputy chair of their duties for the remainder of their term of office. The chair of the local council has the right to be relieved of his or her duties if elected chair of the regional council.

(3) When a chair or deputy chair is relieved of his or her duties, dies or retires from the local council, a new election must be held according to the rules of section 24(1) for the remainder of the term of office of the local council. If more deputy chairs were originally elected, the vacant office must always be filled by a person appointed by the group of councillors who elected the outgoing deputy chair.

8.-(1) A local council shall set the time and venue of ordinary meetings. The schedule of meetings must be published at the beginning of each financial year. Ordinary meetings must normally be held at least once a month. The time and venue of meetings must be published.

(2) Extraordinary meetings must be held when deemed necessary by the mayor or called for by at least one third of the councillors. The mayor shall set the time and venue of extraordinary meetings; the time and venue of the meetings must be published, if possible.

(3) The local council may lay down rules for the duration of council meetings.

(4) The mayor shall make sure that an agenda and the necessary documents, including any committee opinions, for the discussion of matters on the agenda are distributed to the councillors no later than four weekdays before a council meeting.

(5) If a matter cannot be deferred, the local council may make a decision even though the agenda and the necessary documents were not distributed no later than four weekdays before the council meeting. The mayor shall make sure that it appears from the agenda if the agenda or the necessary documents are not distributed before the deadline. The reason why the matter cannot be deferred must also appear from the agenda.

(6) The local council may decide whether and in what manner councillors may require additional information or technical assistance from the municipal administration for the discussion of matters.

(7) A list of all items for discussion at a council meeting as well as a transcript of the minute book, except for information subject to the statutory duty of confidentiality, must be published, if possible.

8a. A local council may decide that documents which must be available or sent to one or more councillors will only be shared electronically. For this purpose, the local council shall refund the councillors' expenses for the necessary equipment, etc., or make such equipment, etc., available to the councillors.

8b. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and the Danish Data Protection Act (*dataskyttelsesloven*) do not apply to the processing of data by councillors in the performance of their duties.

9.-(1) In the performance of his or her duties, any councillor has the right to review final case documents kept by the municipal administration.

(2) Any request for access to case files under subsection (1) must be directed to the mayor.

(3) The mayor may restrict the right of access to case files if necessary in view of the handling of matters, or when it would otherwise be associated with disproportionately great difficulties to grant access to the case files.

(4) Upon request, a councillor has the right to receive a copy of case documents to which he or she has the right of access, see subsections (1) to (3). The local council may always lay down detailed guidelines for the exercise of the right to receive a copy of case documents, including restrictions to the right of access if deemed necessary.

9a.-(1) A local council may decide to hold seminars for the councillors about the annual budget of the local government or other municipal affairs of general significance. If possible, any such decision must be made by the local council when meetings are scheduled, see section 8(1).

(2) A local council may permit others to participate in or attend seminars.

(3) No decisions can be made at seminars.

9b.-(1) A local council may decide on a binding referendum on a decision made by the local council in a matter which may be considered by the local council, but see subsection (2). If required by legislation that a resolution must be read and discussed more than once, only the final decision of the local council may be put to a binding referendum.

(2) It is not possible to call a referendum on:-

- (i) decisions pertaining to state or regional tasks where municipal involvement is necessary for or closely linked to the performance of such tasks;
- (ii) decisions in matters where a referendum or the outcome of a referendum may give rise to non-compliance with legislation or be contrary to a decision;
- (iii) decisions under Part V and sections 57 to 59 as well as rules laid down pursuant to those provisions;
- (iv) decisions on taxes, duties and charges; and
- (v) decisions in matters pertaining to an individual legal or natural person, including on remuneration and on wages and salaries and other conditions of employment, unless such decisions determine matters involving the local authority itself or a company in which the local government has a controlling interest.

(3) The local council shall decide on the wording on the voting ballot of an issue to be decided by the electorate in a binding referendum under subsection (1). The issue must be worded appropriately in view of the decision put to a referendum under subsection (1).

(4) The local council shall set the date of the referendum. The referendum must be held within the local council's term of office and between two and six months after the decision made by the local council under subsection (1).

(5) The local council's decision to call a referendum under subsection (1) and the local council's decisions under subsection (3) and the first sentence of subsection (4) must be made at the same meeting as the adoption of the decision that is put to a referendum. The local council may not change the decisions mentioned in the first sentence hereof.

(6) A referendum under subsection (1) may be proposed no later than at the meeting at which the decision to be the subject of a referendum is adopted. If a referendum under subsection (1) is proposed, the decision to be the subject of the proposed binding referendum may not be adopted until the local council has considered the proposal to call a referendum under subsection (1). The

local council may decide a proposal to call a referendum under subsection (1) even though no opinion on the proposal has been obtained from the relevant standing committee and the finance committee, see section 18(2).

(7) If a local council has decided to call a referendum, the local council shall promptly notify the Ministry of the Interior and Housing of such decision and the time of the referendum in writing.

(8) If the calling of or the outcome of a referendum called by the local council under subsection (1) may become contrary to legislation or a decision, or if the decision put to a referendum by the local council under subsection (1) falls within the scope of paragraph (i) or (v) of subsection (2), the referendum may not be held, and the local council shall see to it that the referendum is cancelled and the election material is destroyed.

(9) A referendum must be held according to the rules of Part 11a of the Local and Regional Government Elections Act (*lov om kommunale og regionale valg*).

9c. A decision made by the local council and put to a referendum under section 9b(1) is finally adopted if there are more voters in favour of the decision than against the decision. Otherwise the decision lapses.

9d. If a referendum has been held under sections 9b and 9c, the local council may not make a decision contrary to the outcome of the referendum during its term of office without calling a new referendum under sections 9b and 9c on the relevant decision. This does not apply if after the referendum, the outcome of the referendum becomes contrary to legislation or a decision, or if after the holding of the referendum, the decision put to a referendum falls within the scope of paragraph (i) or (v) of section 9(2).

10.-(1) Local council meetings are open to the public. A local council may decide to consider a specific matter behind closed doors due to the nature of such matter. The issue of whether there is

reason to close the doors for the discussion of a matter will be considered behind closed doors if so decided by the local council or the chair.

(2) A local council may allow persons on the municipal payroll to observe the discussion of matters considered behind closed doors. The local council may summon other persons to observe the discussion of a matter behind closed doors if desirable to bring out the facts of the matter.

11.-(1) Any councillor may bring any matter concerning its municipal affairs before the local council and propose a decision on the matter. The committees and the chair of the local council shall make available to the local council all information required by the local council, and are obliged in every respect, subject to statutory limitations, to comply with decisions made by the local council.

(2) A local council forms a quorum when at least half of the councillors are present.

(3) Decisions are made by a simple majority of votes, unless otherwise specifically provided.

12. Proposed resolutions need to be read and discussed only once by the local council before a decision can be made, unless otherwise specifically provided.

13.-(1) Local council decisions must be entered into a minute book to be signed after each meeting by the councillors attending the meeting. In the municipality of Copenhagen, the minute book must be signed only by the chair and secretary of the City Council.

(2) Each councillor attending a meeting may ask that a brief account of his or her dissenting view be entered into the minute book and may ask in connection with matters sent to another authority that such other authority be also notified of the contents of the minute book. Such councillor may include a reason for his or her viewpoint when the matter is sent.

14.-(1) Where a councillor has a particular interest in a matter, the local council shall decide whether such interest excludes him or her from attending the local council's discussion of and voting on the matter.

(2) A councillor shall notify the local council if there is reason to believe that for certain reasons he or she might be disqualified.

(3) When it is expected that a councillor will be disqualified from a matter to be considered by the local council, see subsection (1), the councillors elected from the same list of candidates may ask that the substitute councillor be summoned for the discussion of that matter.

(4) If a local council decides to disqualify a councillor and the substitute councillor has not been summoned, the councillors elected from the same list of candidates may ask that the matter be deferred to the subsequent meeting. The matter may not be deferred if two thirds of the councillors present are against deferring the matter, or if deadlines set out in legislation or determined by other authorities will be exceeded in case the matter is deferred.

15.-(1) When a councillor is prevented from attending a council meeting due to health reasons, the councillors elected from the same list of candidates may ask that the substitute councillor be summoned for the meeting. For the constitutive meeting, see section 6, or for the second discussion of the draft annual budget, see section 38(2), a request may also be made that the substitute councillor be summoned in case of a councillor's absence due to other reasons. If no councillor elected on the relevant list of candidates is able to ask that the substitute councillor be summoned, the substitute councillor himself or herself may ask to be summoned.

(2) When the chair of a local council is notified or otherwise becomes aware that a councillor will be prevented from performing his or her duties as a councillor for a period expected to last at least one month due to health reasons, pregnancy, maternity or paternity leave, adoption, performance of other public duties, businesses activities or the like, the chair shall summon the substitute councillor for the next council meeting. The local council may stipulate in its bylaws

that the chair shall summon the substitute councillor in case of a councillor's absence for the reasons mentioned in the first sentence hereof even though the absence is expected to last for less than one month.

(3) When the councillor is again able to perform his or her duties as a councillor, the substitute councillor shall retire from the local council.

(4) The local council shall decide whether the conditions for allowing the substitute councillor on the council have been met.

(5) When the substitute for the chair or deputy chair of the local council has been joined on the council pursuant to subsection (2) and the reason for the absence is expected to last at least two months, the local council shall elect according to the rules of section 7(3), read with section 24(1), the person who is to perform the duties of the chair or, as the case may be, deputy chair for the duration of the absence.

15a. (Repealed)

16.-(1) Councillors are paid a fixed allowance. The Minister of the Interior and Housing shall lay down detailed rules for the allowance. Such allowance is remuneration for the councillors':-

- (a) attendance at local council meetings and meetings of the committees and subcommittees of the council;
- (b) attendance at meetings in connection with the performance of duties as councillors to be carried out after election by the local council, unless otherwise provided on separate allowances;
- (c) attendance at courses, etc., deemed by the local council or the finance committee, by authority of the local council, to be relevant to the performance of the duties mentioned under paragraphs (a) and (b);
- (d) attendance at seminars, see section 9a;
- (e) attendance at the auditors' presentation of audit reports, see section 42c;

(f) performance of other specified duties as councillors at the request of the local council or its committees; and

(g) performance of other activities in connection with the meetings, etc., mentioned under paragraphs (a) to (f).

(2) The local council may decide to pay committee allowances to the councillors who are members of the finance committee and of standing committees. The Minister of the Interior and Housing shall lay down detailed rules for any committee allowance and may also lay down rules allowing a local council to pay allowances to members of other committees set up by the local council.

(3) Anyone attending the constitutive meeting, see section 6, is paid a per diem allowance and, subject to the provision of evidence, compensation for loss of earnings according to the rules of section 16a.

(4) A councillor having one or more children below the age of 10 living at home is paid a supplementary allowance. The Minister of the Interior and Housing shall lay down detailed rules for such supplementary allowance and for any delimitation of the group of councillors eligible for such allowance.

(5) Subject to the provision of evidence, a councillor has the right to receive compensation for loss of earnings. In that case, the amount of the fixed allowance will be reduced. Such right will be exercised with effect for one financial year at a time. Compensation is payable for attendance at the meetings, etc., mentioned in subsection (1)(a) to (e). A local council may also decide to pay compensation to councillors for performing the activities mentioned in subsection (1)(f). The daily compensation may not exceed five times the per diem allowance fixed by the Minister of the Interior and Housing for meetings lasting less than four hours, see section 16a(2). The Minister of the Interior and Housing shall lay down detailed rules for such compensation, including for the reduction of the fixed allowance.

(6) No one awarded special fees or allowances other than payments made under subsections (1), (2) and (4) for the performance of duties as a councillor is eligible for compensation for loss of earnings in connection with his or her performance of duties.

(7) The Minister of the Interior and Housing shall lay down rules for the payment of allowances to chairs and deputy chairs and for loss of office payments to resigning chairs of committees set up by the local council as well as rules for the payment of allowances to a councillor chairing a committee in the absence of the committee chair.

(8) Substitute councillors summoned for individual local council meetings, see section 14(3), section 15(1) and the second sentence of section 15(2), are paid per diem allowances and, subject to the provision of evidence, compensation for loss of earnings according to the rules of section 16a(2) and (3).

(9) All persons are obliged to receive the payments to which they are entitled according to the rules of subsections (1) to (8).

(10) Councillors attending the meetings, etc., mentioned in subsection (1)(a) to (f) are eligible for:-

(a) compensation for travel expenses and compensation for absence from home;

(b) subject to the provision of evidence, reimbursement of necessary expenses defrayed due to a physical disability; and

(c) subject to the provision of evidence, reimbursement of necessary expenses for the care of ill close relatives.

(11) A local council may decide to make reimbursements as mentioned in subsection (10) to the councillors in connection with the performance of the activities mentioned in subsection (1)(g). A local council may also decide to reimburse other expenses associated with the councillors' attendance at the meetings, etc., mentioned in subsection (1), or decide to offer other support in that connection.

(12) The allowances mentioned in subsections (1), (2) and (4) to (7) and the reimbursements mentioned in subsection (10)(c) may not be paid to the chair of the local council, to council cabinet members, see section 64, or to the committee chairs mentioned in section 64a.

16a.-(1) A local council may decide to pay per diem allowances and, subject to the provision of evidence, compensation for loss of earnings to any non-councillor who attends the meetings, etc., mentioned in section 16(1)(a) to (f).

(2) The Minister of the Interior and Housing shall lay down the amount of the per diem allowance. Per diem allowances will be fixed as a specific daily allowance, provided always that twice the amount is payable if it takes more than four hours to perform the duties. When calculating the time it takes to perform duties, the time necessary to travel to and from the location where the duties are to be performed will also be included, unless the entire journey takes place within the borders of the same municipality.

(3) The daily compensation for loss of earnings may not exceed five times the per diem allowance for meetings lasting less than four hours, see subsection (2). The Minister of the Interior and Housing shall lay down detailed rules for the payment of compensation.

(4) No one awarded special fees or allowances for the performance of duties as a councillor is eligible for per diem allowances and compensation for loss of earnings in that connection.

(5) All persons are obliged to receive the payments to which they are entitled according to the rules of subsections (1) to (3).

(6) Non-councillors attending the meetings, etc., mentioned in section 16(1)(a) to (c) are eligible for allowances and reimbursements as mentioned in section 16(10) and, subject to the provision of evidence, reimbursement of necessary babysitting expenses.

(7) A local council may decide to reimburse the expenses mentioned in subsection (6) to any non-councillors taking part in the activities mentioned in section 16(1)(d) to (g). A local council

may also decide to reimburse other expenses associated with attendance at the meetings, etc., mentioned in section 16(1), or decide to offer other support in that connection.

16b.-(1) A councillor who is an employee has the right to be absent from work to the extent necessary to attend the meetings, etc., mentioned in section (16)(1)(a) to (e).

(2) A chair of a local council, council cabinet members, see section 64, and the committee chairs mentioned in section 64a do not have the right of absence under subsection (1).

(3) The right of absence under subsection (1) does not apply to situations in which decisive considerations for the performance of duties weigh against granting such right of absence.

(4) Subject to reciprocity, the Minister of the Interior and Housing may conclude agreements with another country under which persons performing political duties at local level in that country may be granted the right to be absent from work in Denmark to perform such political duties to the extent laid down in subsections (1) to (3).

(5) The Minister of the Interior and Housing may lay down rules for the performance of an agreement, see subsection (4).

16c. An employer may not dismiss an employee because he or she is included on a list of candidates standing for local election or has been elected for a local council.

16d.-(1) In case of dismissal of an employee included on a list of candidates standing for local election or elected for a local council, the employer is obliged to establish that the dismissal was not attributable to such circumstances.

(2) In case of dismissal of an employee contrary to section 16c, the employer is liable to pay compensation.

(3) Such compensation, which may not exceed wages or salaries for 78 weeks, will be fixed in view of the employee's length of employment and circumstances in general.

16e.-(1) A councillor performing duties other than membership of committees or subcommittees set up by the local council upon election or recommendation by the local government shall disclose to the local council the total remuneration received in the previous calendar year for performing such duties. Before the end of the first quarter of any year, the local council shall make public which councillors were remunerated for performing such duties as well as the amount of the remuneration for the individual duties performed by each councillor in the last calendar year.

(2) Subsection (1) applies with the necessary modifications to employees of the municipal administration performing the duties mentioned in subsection (1) upon election or recommendation by the local government.

16f. A local council may decide to pay compensation for travel expenses to councillors conducting civil marriage ceremonies, see section 18(1) and (2) of the Formation and Dissolution of Marriage Act (*lov om ægteskabs indgåelse og opløsning*).

Part III

Committees, etc.

17.-(1) A finance committee and one or more standing committees, whose composition and powers will be laid down in the bylaws, must be set up for the direct administration of municipal affairs. Committees must have an odd number of members, and this number may not exceed half the total number of councillors.

(2) Local councils shall elect members of the committees, commissions, boards of directors or governors, etc., on which the local council or the local authority must be represented pursuant to other provisions.

(3) Members of the committees, etc., mentioned in subsections (1) and (2) must be elected immediately after the election of the chair and deputy chair(s) of the local council. Such committee members are elected for the term of office of the local council.

(4) A local council may also set up committees dedicated to performing particular duties or carrying out preparatory or advisory functions for the local council, the finance committee or the standing committees. The local council shall decide on the composition of dedicated committees and lay down rules for their activities.

(5) The Minister of the Interior and Housing may lay down rules for the situations in which local councils shall set up a special committee to carry out preparatory or advisory functions for the local council, the finance committee or the standing committees in matters concerning the German minority in Southern Jutland and for the composition and activities of such committees.

(6) Councillors are obliged to stand for election to committees, commissions, boards of directors or governors, etc., and to perform other duties allocated to them by the local council. Unless otherwise specifically provided, the local council may also leave duties to other willing citizens of the municipality.

(7) A local council shall see to the organisation of the municipal administration and lay down rules for the employment and dismissal of municipal staff.

18.-(1) Finance committee members must be elected among the councillors. The chair of the local council shall chair the committee.

(2) A finance committee has insight into the financial and general administrative matters within all aspects of municipal administration, and an opinion must be obtained from the committee on each individual matter concerning such affairs before presenting the matter to the local council for decision.

(3) A finance committee performs the direct administration of affairs pertaining to municipal payments and accounts and to pay and staff administration.

(4) A finance committee is in charge of or coordinates municipal planning.

(5) A finance committee may also perform the direct administration of other municipal affairs.

(6) If a finance committee also performs other municipal affairs, see subsection (5), it is possible to lay down in the bylaws that the finance committee may be designated accordingly.

19. Members of standing committees must be elected among the councillors.

20.-(1) Committees perform their activities at meetings. The finance committee and each standing committee shall decide each financial year when and where to meet. Meetings must be held in due time before local council meetings to allow the distribution of any committee opinions to all councillors no later than four weekdays before local council meetings, see section 8(4). Any committee member may require that a committee decision on the schedule of meetings be brought before the local council for a decision.

(2) Committees form a quorum when at least half of the members are present. All decisions are made by a majority of votes.

(3) Committees shall lay down their own rules of procedure. Committees may lay down rules for the duration of committee meetings. An agenda and the necessary documents for the discussion of matters on the agenda must be distributed to committee members before a committee meeting. Each committee must have a minute book into which committee decisions are entered. The minute book must be signed after each meeting by the councillors attending the meeting. Any of those members may require that a brief account of his or her dissenting view be entered into the minute book. When matters are transferred by a committee to another committee, the local council or another authority, any committee member may ask that the recipient also be notified of the contents of the minute book. Such member may include a reason for his or her viewpoint when the matter is transferred.

(4) Committees may allow persons on the municipal payroll to observe their meetings in order to provide secretariat functions, etc., to the committees. The committees may summon other persons, including other councillors, to observe the debate if desirable to bring out the facts of the matter.

(5) A finance committee may allow councillors who are not members of the finance committee to observe its final debate on the proposed annual budget and multiannual budget estimate.

(6) Unless the information is subject to the statutory duty of confidentiality, any councillor has the right, upon request, to receive agendas and transcripts of the minute book that are distributed to the members of committees of which the relevant councillor is not a member and, upon request in each individual case, to receive case documents to the same extent as committee members.

(7) A list of all items for discussion at a committee meeting, except for information subject to the statutory duty of confidentiality, must be published, if possible.

21.-(1) Committees are in charge of the affairs assigned to them within the framework of the adopted annual budget together with the other decisions adopted by the local council and in accordance with the regulations, etc., issued by the local council. They shall ensure that the amounts allocated are not exceeded and may make recommendations to the local council through the finance committee if additional allocations are deemed desirable or necessary.

(2) Before implementing measures of significance to another committee, a committee shall have negotiations with the relevant committee, to the extent necessary with the involvement of the chair of the local council, see section 31a.

(3) At the request of and by a deadline set by the finance committee, committees shall make suggestions for the annual budget and the multiannual budget estimate, see section 37(2).

22.-(1) Committees shall elect a chair, but see section 18(1). Any committee member is obliged to stand for election as chair. The chair shall prepare, convene and preside over committee meetings and see to it that committee decisions are entered into the minute book.

(2) A chair may decide matters on behalf of the committee if a matter may not reasonably be deferred or does not give rise to any doubt. The chair of the local council must be notified in advance of matters which may not reasonably be deferred, unless the decision has been entrusted to the committee by legislation.

(3) Any committee member may bring any matter of the actions of the chair before the committee, and the chair shall provide all the information required to the committee. The chair is obliged to comply with committee decisions in every respect.

23. Any committee member may suspend the enforcement of a decision made by the committee by quoting for the minute book that he or she wants the matter brought before the local council for a decision. This does not apply to decisions entrusted to the committee by legislation.

24.-(1) In a majority vote the candidate receiving the votes of a majority of the members present is the one elected. If no such majority is obtained in the first election round, a new vote must be taken. The candidate receiving the votes of a majority of the members present or being the only candidate receiving votes in the second election round is the one elected. If no decision is reached in the second election round, a binding election will be made between the two candidates receiving the most votes in the second election round, provided always that the two candidates in the binding election (the third election round) will be decided by lot in case of a tied vote. In the event of a tied vote in the third election round, the election will be decided by lot.

(2) When municipal servants are recruited for employment, the successful candidate is selected in the manner described in subsection (1).

(3) Elections under this Act will be conducted in accordance with the proportional representation system and based on the d'Hondt method: Councillors are divided into groups according to their individual notifications to the chair that they will vote together with in the relevant election. Councillors shall make identical group notifications in elections to the finance committee and to standing committees. The number of members of each group will be divided by one, two, three, etc. The resulting quotients reflect the order in which the individual groups will elect their representatives. If two or more quotients are the same, the order will be decided by lot. When the number of representatives to which the individual groups are entitled has been decided, the groups shall promptly notify the chair of the persons appointed for the seats allocated to them. If a group waives its right to appoint one or more representatives, the vacant seats will be allocated among the other groups according to the method described above.

25.-(1) Where a local council is to elect two or more members to committees, commissions, boards of directors or governors, etc., an election must be held separately for each committee, etc., in accordance with the proportional representation system, but see section 27(1).

(2) Where a local council is to elect members to committees, commissions, boards of directors or governors, etc., on which the chair of the local council or a committee chair must have a seat, the relevant councillor's seat is deemed to be one of the seats to which the group of councillors that the relevant councillor belongs to in that particular election according to his or her notification is entitled.

26. Where an election of members to committees, commissions, boards of directors or governors, etc., is to be made among both councillors and non-councillors, all members to be elected by the local council will be elected separately for each committee, etc., in accordance with the proportional representation system. In the same order as groups become entitled to seats, the groups will appoint councillors or non-councillors until either kind of seat has been filled.

27.-(1) If a group has not received as many seats on standing committees in elections in accordance with the proportional representation system under section 24 as it would have received in one single allocation of all vacant seats on those committees, the group is entitled to have the missing number of seats allocated by taking over seats from the group(s) which received too many seats in the first allocation. A group entitled to additional seats on committees may require under the previous sentence that no more than one seat on each committee be allocated to the group.

(2) Any disagreements between groups having to surrender seats on committees under the aforementioned provisions will be decided by the local council.

(3) If a group loses its majority on a committee because of the procedure described in subsections (1) and (2), the group may appoint as many extra members to the relevant committee as is necessary to maintain its majority.

28.-(1) Where before the end of a term of office, a member resigns from a committee, commission, board of directors or governors, etc., to which he or she had been elected by a particular group of councillors, the vacant seat will be filled by a person appointed by the same group.

(2) When a committee member is absent for at least one month, the electing group may decide to replace him or her by another member for the duration of the absence. A local council which has inserted a provision in its bylaws under the second sentence of section 15(2) may stipulate in its bylaws that the group electing a committee member may decide to replace such committee member by another member for the duration of his or her absence regardless that the absence is expected to last less than one month.

(3) A local council may stipulate in its bylaws that a group electing a committee member expected to be disqualified from a matter to be considered by the committee may decide to

replace such committee member by another member, who will then be joined on the committee in connection with the discussion of the matter.

29.-(1) A committee member may not perform any services against payment for the branch of the municipal administration of which the relevant committee is in charge without a prior public tender procedure or, if justified by exceptional circumstances, without a decision adopted by the local council.

(2) The following persons are precluded from membership of a standing committee:-

- (a) employees who are directly responsible to the committee for the management of an area of municipal administration and their substitutes; and
- (b) employees who otherwise have a management function within an area of municipal administration falling within the scope of the committee.

(3) The following persons are precluded from membership of a financial committee:-

- (a) employees of the branch of the municipal administration which performs the administration of affairs entrusted to the finance committee pursuant to section 18(3) and Part V;
- (b) employees who are directly responsible for or otherwise have a management function within other areas of municipal administration entrusted to the finance committee; and
- (c) employees who are directly responsible for the management of an area of municipal administration falling within the scope of a standing committee.

(4) No municipal employee may be a council cabinet member of the same municipality, see section 64, or the chair of a standing committee of a municipality governed by the rules of section 64a.

(5) No one who is married to or in a relationship similar to a marriage with a person employed by a local council may be a member of:-

- (a) a standing committee if the employee is precluded from membership of the committee pursuant to subsection (2)(a);

(b) the finance committee if the employee is directly responsible for or otherwise has a management function within an area of municipal administration of the finance committee, or the employee is directly responsible for the management of an area of municipal administration falling within the scope of a standing committee; or

(c) the council cabinet, see section 64, or the chair of a standing committee of a municipality governed by the rules of section 64a if the employee is directly responsible for or otherwise has a management function within an area of municipal administration of which the relevant employee is in charge, or the employee is directly responsible for the management of an area of municipal administration falling within the scope of another department.

Part IV

Local council chairs

30. The chair of a local council shall plan and convene council meetings. He or she shall preside over discussions and votes and see to it that decisions are entered into the minute book.

31.-(1) The chair of a local council may decide matters on behalf of the local council where the matter cannot reasonably be deferred or does not give rise to any doubt.

(2) The chair of a local council shall notify the local council at the next council meeting, see section 8(1), of decisions made pursuant to section 31(1).

(3) The chair of a local council has the superior responsibility for the day-to-day management of the municipal administration. The chair shall allocate matters to the relevant committees and see to it that matters requiring a decision by the local council are presented to the local council together with any opinions. The chair shall ensure that matters are handled and issue directions for such handling, if necessary. The chair shall make sure that no expenditure is defrayed and no income is earned without the necessary allocation of funds.

(4) Detailed rules for the activities of the chair of a local council may be laid down in municipal bylaws.

31a.-(1) The chair of a local council may attend committee meetings without voting rights. The chair must be notified of the scheduled time of committee meetings and receive the agenda and a transcript of the minute book for each committee meeting.

(2) The chair of a local council may summon members of two or more committees for a joint discussion of matters of common interest.

(3) The chair of a local council may suspend the consideration of a matter falling within the scope of powers of a committee by ordering the committee in writing to bring the matter before the local council without undue delay. This does not apply to matters in which decisions are entrusted to the committee by legislation.

32.-(1) Documents concerning the purchase and sale of real property, raising of loans and assumption of guarantees by the local government must be signed by the chair or deputy chair(s) of the local council and a person so authorised by the local council, but see subsection (2).

(2) In municipalities governed by the rules of section 64 or section 64a, the documents mentioned in subsection (1) may also be signed by council cabinet members or committee chairs and a person so authorised by the local council.

33. When the deputy chair of a local council is the acting chair in the chair's absence, he or she will take over all duties imposed on the chair by this Act and the municipal bylaws.

34.-(1) The Minister of the Interior and Housing shall lay down rules for the payment of allowances, loss of office payments and pension contributions to the chair of a local council, council cabinet members, see section 64, and the committee chairs mentioned in section 64a.

(2) Rules for the payment of allowances to the deputy chair(s) of a local council must be laid down by the Minister of the Interior and Housing.

(3) A councillor appointed pursuant to section 15(5) or section 66b(3) to act as the chair of the local council or as a council cabinet member will earn allowances for the term of office under the rules laid down pursuant to subsection (1). The same allowance will be paid to any member of a standing committee who takes over the management of the administration, see section 64a(4).

(4) A local council may pay allowances to a councillor performing duties incumbent on the chair of the local council or a local cabinet member in cases other than those mentioned in subsection (3). When fixing the amount of the allowance, in particular the scope and duration of the work must be taken into account.

(5) A deputy chair earning allowances pursuant to subsection (2) may only earn allowances pursuant to subsection (3) or (4) if he or she has performed the duties of a chair for more than five weeks within the same financial year.

(6) If a councillor receives other allowances, fees, per diem allowances or compensation for loss of earnings, the total of those amounts and the allowances referred to in subsections (2) to (4) may not in any financial year exceed the allowance to which the mayor is entitled, see subsection (1).

35. (Repealed)

Part V

Economic administration of local authorities

36. The financial year of local authorities is 1 January to 31 December.

37.-(1) The proposed annual budget for the next financial year of a local authority must be prepared by the finance committee for the local council before the deadline set by the Minister of the Interior and Housing.

(2) The proposed annual budget must be accompanied by a multiannual budget estimate for a period determined by the Minister of the Interior and Housing.

(3) The proposed annual budget and multiannual budget estimate as finally adopted by the finance committee must be published when the proposal is available to all councillors.

38.-(1) A local council shall have two debates on the proposed annual budget and multiannual budget estimate of the finance committee with an interval of at least three weeks.

(2) At the second debate, the proposed annual budget and multiannual budget estimate must be discussed and decided on by the local council. The Minister of the Interior and Housing shall set the deadline for the second debate and may also set different deadlines for specified items in the annual budget and the multiannual budget estimate. The Minister of the Interior and Housing shall lay down detailed rules on the specification of items in the annual budget requiring the local council to decide on the allocation of funds when adopting the final annual budget.

39.-(1) The final annual budget as adopted and the multiannual budget estimates must be published.

(2) A brief account of the contents of the annual budget and the budget estimates must be published before the commencement of the next financial year.

40.-(1) An annual budget as adopted by the local council provides a binding rule for the level of municipal taxes to be levied in the following year. The items in the annual budget for which the local council decided on the allocation of funds when adopting the annual budget, see section 38(2), also provide a binding rule for the municipal administration the following year.

(2) The power to allocate funds rests with the local council. No measures giving rise to income or expenditure not approved in connection with the adoption of the annual budget may be implemented before the local council has allocated the necessary funds. Provided always that measures required by legislation or other binding subordinate legislation may be implemented without the prior allocation of funds by the local council, if necessary, but the requisite approval must be obtained as soon as possible. The local council may also authorise the finance committee to allocate supplementary funds in cases where a request is made to transfer an amount from one item of operating or capital expenditure to another item of operating or capital expenditure.

(3) Any supplementary funds allocated must always include an indication of how the expenditure will be covered.

(4) The Minister of the Interior and Housing may lay down detailed rules for the relationship between income and expenditure and for the application of general reserves, whether in full or in part, in the annual budget and the multiannual budget estimate.

41.-(1) Any decision to raise loans and assume guarantees must be made by the local council, unless otherwise provided by the Minister of the Interior and Housing.

(2) The Minister of the Interior and Housing may lay down detailed rules under which any decision to enter into rental or lease agreements by which the local authority assumes a particular obligation must be made by the local council.

41a. A decision on the amounts payable by citizens for municipal utilities and for using social institutions and schemes, etc., as well as after-school care must be made by the local council.

42.-(1) The financial statements of a local authority must be audited by a state-authorized or registered public accountant. The auditors of a local authority must be competent and independent. The auditors of a local authority must be appointed by the local council and approved by the National Social Appeals Board (*Ankestyrelsen*). Such approval may always be

withdrawn. Consent is required from the National Social Appeals Board for the local council to dismiss its auditors.

(2) The audit must include all accounting areas falling within the scope of the local council. The auditors shall test whether the financial statements are correct and whether transactions subject to the accounting requirements are in accordance with allocations made, the local council's other decisions, legislation and other directions as well as agreements entered into and common practice. Moreover, it is assessed whether decisions made by the local council and the committees have been executed and the other administration of municipal affairs have been performed in a financially appropriate manner.

(3) Auditors are obliged to regularly undertake a critical review of the bookkeeping of the local authority and the related control measures to test whether they are adequate.

(4) Auditors shall prepare an annual audit report on the audit of the financial statements of a local authority. Auditors shall also prepare reports during the year when required or otherwise deemed appropriate by the auditors (partial reports). Auditors shall obtain and provide to the local council the information required by the local council on matters concerning the auditor's performance of their duties.

(5) Local councils shall obtain and provide the information necessary for the auditors' performance of their duties.

(6) Auditors may not take part in making decisions nor be held partially responsible for decisions by which their position as independent auditors can be questioned.

(7) Local councils shall lay down in regulations detailed rules for the organisation of the municipal system of payments and accounts, which must also include directions on payment and accounting procedures. The regulations must be sent to the municipal auditors, who must also be notified of all amendments to such regulations before they come into force.

42a. (Repealed)

42b. The chair of a local council shall make sure that audit reports issued under section 42(4) are distributed to the councillors no later than seven days after receipt.

42c.-(1) Auditors have the right to present their audit reports, see section 42(4), to the local council. Audit reports must also be presented to the local council when at least one fourth of the councillors so request. The chair of the local council shall set the time and venue for such presentation at the request of the auditors or, as the case may be, at least one fourth of the councillors and summon the councillors.

(2) The chair of a local council shall make sure that the notice convening the auditors' presentation and the necessary documents for the auditors' presentation are distributed to the councillors no later than four weekdays before the presentation, unless the presentation may not be deferred.

(3) A local council may permit others to participate in or attend the presentation.

(4) No decisions can be made at such presentations.

43. The bookkeeping of a local authority must provide an overview of the application of the municipal funds and whether funds have been applied in accordance with the annual budget and other decisions made by the local council.

44. Funds which need not be maintained in cash for the day-to-day operations may be deposited with a bank or in a giro account or be invested in bonds or investment funds in which funds held in trust can be invested.

45.-(1) The financial statements of a local authority must be presented by the finance committee to the local council before the deadline set by the Minister of the Interior and Housing. The financial statements must be accompanied by a list of the local government's sureties and guarantees provided by the local government. To the extent necessary, financial statements must

also be accompanied by comments, in particular on major discrepancies between amounts allocated and amounts recognised in the accounts.

(2) A local council shall prepare financial statements for the auditors. When the auditors' comments on the financial statements have been delivered to the finance committee and – as far as other comments not directly attributable to the application of funds falling within the scope of the finance committee are concerned – to the relevant municipal authority for the purpose of their comments, the local council shall convene to make a decision concerning the comments received and on the approval of the financial statements.

(3) The financial statements as adopted must be published.

45a. (Repealed)

46.-(1) The Minister of the Interior and Housing may lay down detailed rules for the administration of affairs pertaining to municipal payments and accounts, for the presentation of financial statements, for the audit and for decisions concerning the comments.

(2) The Minister of the Interior and Housing may lay down detailed rules for the preparation and distribution of information on the financial affairs of the local authority to the local council.

Part VI

Supervisory powers of the National Social Appeals Board

47.-(1) Local governments and inter-municipal cooperation bodies, see section 60, are subject to supervision by the National Social Appeals Board (*Ankestyrelsen*).

(2) The supervisory duties of the National Social Appeals Board are not subject to instructions from the Minister of the Interior and Housing. The Minister of the Interior and Housing may lay down general directions on the exercise of the supervisory powers vested in the National Social Appeals Board.

48.-(1) The National Social Appeals Board (*Ankestyrelsen*) has the supervisory capacity to control that local governments and inter-municipal cooperation bodies comply with the legislation applicable to public authorities, including municipal directions issued pursuant to such legislation, but see subsections (2) and (3).

(2) The National Social Appeals Board does not have the supervisory capacity to control that local governments and inter-municipal cooperation bodies, see section 60, observe obligations under employment law.

(3) The National Social Appeals Board does not have any supervisory capacity when dedicated complaints and supervisory authorities can decide a particular case.

48a. The National Social Appeals Board (*Ankestyrelsen*) shall decide whether there is a sufficient basis for initiating an inspection.

49.-(1) Local councils and the supreme governing bodies of inter-municipal cooperation bodies, see section 60, shall obtain and provide the information to the National Social Appeals Board (*Ankestyrelsen*) and deliver the documents required by the National Social Appeals Board about municipal affairs or, as the case may be, the affairs of the inter-municipal cooperation body.

(2) In exceptional cases, the National Social Appeals Board may order a local council to obtain comments from its auditors on the local council's decisions concerning audit reports and on matters relating to the auditors' performance of their duties. The first sentence hereof applies with the necessary modifications to the supreme governing bodies of inter-municipal cooperation bodies, see section 60.

(3) The National Social Appeals Board may set a deadline for obtaining and providing information and delivering documents under subsections (1) and (2).

(4) If required, the National Social Appeals Board may require a judicial examination in accordance with section 1018 of the Administration of Justice Act (*retsplejeloven*).

(5) The National Social Appeals Board may request other public authorities within their area of responsibility to provide the guidance and assistance necessary to perform the supervision.

50. The National Social Appeals Board (*Ankestyrelsen*) may make a statement on the lawfulness of a local government's transactions or omissions.

50a.-(1) If the local council has made a decision contrary to legislation, the National Social Appeals Board (*Ankestyrelsen*) may invalidate such decision. While considering the matter, the National Social Appeals Board may temporarily suspend the relevant decision. If the decision has already been carried out, it may only be suspended or invalidated if:-

(i) a party makes a written request to this effect to the National Social Appeals Board;

(ii) there is no appellate body under other legislation; and

(iii) there are no significant considerations, particularly for private interests, weighing against such suspension or invalidation.

(2) Subsection (1) applies with the necessary modifications to any decision made by a finance committee, a standing committee or a council cabinet when the decision cannot be brought before the local council. Subsection (1) applies with the necessary modifications to any decision made by the chair of a local council under section 31(1). Subsection (1) applies with the necessary modifications to any decision made by the chair of a finance committee or a standing committee under section 22(2) when the decision cannot be brought before the local council. Subsection (1) also applies with the necessary modifications to decisions made by the supreme governing bodies of any inter-municipal cooperation bodies, see section 60.

50b.-(1) If a local council fails to take a measure incumbent on the council under legislation, the National Social Appeals Board (*Ankestyrelsen*) may impose default fines on the councillors responsible for such failure.

(2) A councillor cannot avoid liability by abstaining from voting.

(3) Subsections (1) and (2) apply with the necessary modifications to members of finance committees, standing committees and council cabinets in cases which cannot be brought before the local council. Subsection (1) applies with the necessary modifications to the chair of the local council when the chair fails to summon councillors for ordinary or extraordinary meetings of the local council, see section 8(1) and (2). Subsection (1) applies with the necessary modifications to the chair of a local council when the chair fails to notify a councillor or, as the case may be, his or her substitute and the other councillors in writing that the councillor or, as the case may be, his or her substitute is or has become ineligible to stand for election due to a sanction, see section 101(3), (8) and (9) of the Local and Regional Government Elections Act (*lov om kommunale og regionale valg*). Subsections (1) and (2) apply with the necessary modifications to members of the supreme governing bodies of inter-municipal cooperation bodies, see section 60.

50c.-(1) The National Social Appeals Board (*Ankestyrelsen*) may commence an action for damages against a councillor who is liable for a loss suffered by the local authority.

(2) A councillor cannot avoid liability by abstaining from voting.

(3) If in an action for damages commenced under subsection (1), a councillor is found liable for damages for a loss suffered by the local authority in the performance of his or her duties, the amount of the damages may be reduced or cancelled entirely to the extent that it is deemed reasonable in view of the blameworthiness, the amount of the damage suffered and the circumstances in general.

(4) Subsections (1) to (3) apply with the necessary modifications to members of finance committees, standing committees and council cabinets. Subsections (1) and (3) apply with the necessary modifications to decisions made by the chair of a local council under section 31(1). Subsections (1) and (3) apply with the necessary modifications to decisions made by the chair of a finance committee or a standing committee under section 22(2). Subsections (1) to (3) apply with

the necessary modifications to members of the supreme governing bodies of inter-municipal cooperation bodies, see section 60.

50d. The National Social Appeals Board (*Ankestyrelsen*) may withdraw an action under section 50c, provided that the relevant person pays a specified amount to the local authority or, as the case may be, the inter-municipal cooperation body before a specific deadline. When fixing the amount, the blameworthiness, the amount of the damage suffered and the circumstances in general may be taken into account. If the relevant person accepts to pay and pays the amount before the deadline, no further claims for damages can be made against that person.

51.-(1) The National Social Appeals Board (*Ankestyrelsen*) may commence a declaratory action against a local council who has made a decision contrary to legislation or has failed to take a measure incumbent on the council under legislation, or whose decision has been invalidated or temporarily suspended by the National Social Appeals Board, see section 50a.

(2) Subsection (1) applies with the necessary modifications to finance committees, standing committees and council cabinets in cases which cannot be brought before a local council.

Subsection (1) applies with the necessary modifications to decisions made by the chair of a local council under section 31(1). Subsection (1) applies with the necessary modifications to decisions made by the chair of a finance committee or a standing committee under section 22(2) which cannot be brought before the local council. Subsection (1) applies with the necessary modifications to the supreme governing bodies of inter-municipal cooperation bodies, see section 60.

Part VII

Supervisory powers of the Minister of the Interior and Housing

52.-(1) Decisions of the National Social Appeals Board (*Ankestyrelsen*) on the application of any of the measures mentioned in sections 50a to 50d can be brought before the Minister of the Interior and Housing by the bodies, councillors or members who are the targets of such measures.

(2) Decisions of the National Social Appeals Board on consent or approval under this Act or provisions laid down pursuant to this Act can be brought before the Minister of the Interior and Housing by the relevant local council or the relevant supreme governing body of an inter-municipal cooperation body, see section 60, unless the decision is fully in favour of the local council or the inter-municipal cooperation body.

(3) The Minister of the Interior and Housing may raise the matter of the National Social Appeals Board's decisions to use or not to use the measures mentioned in sections 50a to 50d and decisions on any consent or approval under this Act or provisions laid down pursuant to this Act on his or her own initiative when the Minister finds that it is a matter of principle or general importance or of a serious nature.

(4) The Minister of the Interior and Housing may uphold, quash or change a decision of the National Social Appeals Board as mentioned in subsections (1) to (3) and order the National Social Appeals Board to open the matter for a new discussion under sections 50 to 50d or under provisions on consent or approval under this Act or under provisions laid down pursuant to this Act. The Minister of the Interior and Housing may also change a decision of the National Social Appeals Board to the disfavour of the body or the member who is the target of the decision, but see the third sentence of section 50d. Under the conditions mentioned in section 51, the Minister of the Interior and Housing may commence declaratory actions or order the National Social Appeals Board to commence declaratory actions.

53.-(1) The Minister of the Interior and Housing may raise the matter of the lawfulness of a local government's transactions or omissions on which the National Social Appeals Board (*Ankestyrelsen*) has made a statement under section 50 on his or her own initiative when the

Minister finds that it is a matter of principle or general importance or of a serious nature. The same applies if the National Social Appeals Board has decided not to raise the matter of the lawfulness of a local government's transactions or omissions.

(2) The Minister of the Interior and Housing may make a statement on the lawfulness of a local government's transactions or omissions and in that connection make a decision under sections 50a to 50d. The Minister of the Interior and Housing may also order the National Social Appeals Board to open the matter for a new discussion under sections 50 to 50d. Under the conditions mentioned in section 51, the Minister of the Interior and Housing may commence declaratory actions or order the National Social Appeals Board to commence declaratory actions.

53a.-(1) The Minister of the Interior and Housing may raise the matter of the lawfulness of transactions or omissions of the National Social Appeals Board (*Ankestyrelsen*) in the situations mentioned in sections 52 and 53 in the course of its supervisory duties on his or her own initiative when the Minister finds that there is a sufficient basis for doing so, including when finding that it is a matter of principle or general importance or of a serious nature.

(2) The Minister of the Interior and Housing may make a statement on the lawfulness of transactions or omissions of the National Social Appeals Board and decide to uphold, quash or change a decision of the National Social Appeals Board. The Minister of the Interior and Housing may also order the National Social Appeals Board to open a matter for a new discussion.

54. The Minister of the Interior and Housing may order the National Social Appeals Board (*Ankestyrelsen*) to open a matter for discussion under sections 50 to 50d.

55. The National Social Appeals Board (*Ankestyrelsen*) and the Minister of the Interior and Housing may stay the execution of a decision for the duration of the Minister's processing of the matter under sections 52 and 53a. The Minister of the Interior and Housing may quash a decision

made by the National Social Appeals Board to stay the execution of a decision for the duration of the Minister's processing of the matter.

56.-(1) Local councils, supreme governing bodies of inter-municipal cooperation bodies, see section 60, and the National Social Appeals Board (*Ankestyrelsen*) shall obtain and provide the information to the Minister of the Interior and Housing and deliver the documents required by the Minister about municipal affairs, affairs of the inter-municipal cooperation body or, as the case may be, affairs within the area subject to supervision.

(2) In exceptional cases, the Minister of the Interior and Housing may order a local council to obtain comments from its auditors on the local council's decisions concerning audit reports and on matters relating to the auditors' performance of their duties. The first sentence hereof applies with the necessary modifications to the supreme governing bodies of inter-municipal cooperation bodies, see section 60.

(3) The Minister of the Interior and Housing may set a deadline for obtaining and providing information and delivering documents under subsections (1) and (2).

(4) If required, the Minister of the Interior and Housing may require a judicial examination in accordance with section 1018 of the Administration of Justice Act (*retsplejeloven*).

(5) The Minister of the Interior and Housing may request other public authorities within their area of responsibility to provide the guidance and assistance necessary to perform the supervision.

Part VIII

Special rules

57.-(1) The Minister of the Interior and Housing shall prescribe the layout of the annual budget, multiannual budget estimates and financial statements of a local authority.

(2) The financial statements of a local authority must be sent to the National Social Appeals Board (*Ankestyrelsen*) together with the audit report and the decisions made by the local council in that connection, see section 45(2). The Minister of the Interior and Housing shall set the deadline for submitting financial statements to the National Social Appeals Board .

(3) When auditors prepare a partial report under section 42(4) to a local council, the auditors shall notify the National Social Appeals Board of such partial report.

57a. (Repealed)

58.-(1) The Minister of the Interior and Housing may lay down rules for the raising of loans and similar transactions by local governments.

(2) The Minister of the Interior and Housing may lay down rules for outstanding accounts between local governments and municipal utilities.

59. The Minister of the Interior and Housing may lay down rules on the right of a local council to bind the local authority by sureties or other financial guarantees or by committing the local authority to make regular payments or the like which the local authority does not have a statutory obligation to make.

60.-(1) Collaboration agreements between local governments that will restrict the powers vested in the individual participating local councils under this Act are subject to approval by the National Social Appeals Board (*Ankestyrelsen*), unless otherwise provided by law, but see section 60a.

(2) Agreements of the nature described in subsection (1) can be terminated if the participating local councils so agree. Agreements may also be terminated at the request of a party if the National Social Appeals Board considers it reasonably justified.

(3) The conditions on termination of an agreement must be approved by the National Social Appeals Board and shall be determined by the National Social Appeals Board in case of disagreement between the parties.

60a.-(1) Agreements on inter-municipal cooperation bodies, see section 60(1), which meet the criteria of section 1a(1)(iv) of the Act on Approved Auditors and Audit Firms (*revisorloven*) are not subject to approval by the National Social Appeals Board (*Ankestyrelsen*). Section 60(2) and (3) do not apply to such agreements.

(2) Agreements falling within the scope of subsection (1) can be terminated on the conditions set out in the agreement when decided by a majority of the parties to the agreement. A party may resign from such agreement on the conditions set out in the agreement.

(3) The parties shall notify the National Social Appeals Board within a reasonable period of the entry into, termination of and resignation from agreements falling within the scope of subsection (1).

(4) Agreements falling within the scope of subsection (1) may only provide that an inter-municipal cooperation body shall pay per diem allowances and, subject to the provision of evidence, compensation for loss of earnings under the rules of section 16a(2) and (3) to the members of the supreme governing body of the cooperation body for attending meetings in connection with the performance of their duties.

61. A councillor who grossly neglects the duties incumbent on him or her by virtue of his or her office is sentenced to a fine. Simple negligence of duties is not punished.

62 to 62c. (Repealed)

62d.-(1) The Minister of the Interior and Housing may lay down rules for the calculation of the costs of a local authority's own performance of a task which the local government has decided to put up for tender (control bids) and for the submission of control bids.

(2) The Minister of the Interior and Housing may lay down rules on the powers vested in the Complaints Board for Public Procurement (*Klagenævnet for Udbud*) under the rules of the Act on the Enforcement of Public Procurement Rules, etc. (*lov om håndhævelse af udbudsreglerne m.v.*) and directions issued pursuant to that Act to consider complaints of a local government's violation of rules laid down pursuant to subsection (1).

62e. (Repealed)

63.-(1) Local councils, the supreme governing bodies of inter-municipal cooperation bodies, see section 60, and the National Social Appeals Board (*Ankestyrelsen*) shall obtain and provide the information to the relevant Minister and deliver the documents required by the Minister about municipal affairs, affairs of the inter-municipal cooperation body or, as the case may be, affairs within the area subject to supervision.

(2) The Minister may set a deadline for obtaining and providing information and delivering documents under subsection (1).

63a. The relevant Minister may make a statement on the lawfulness of a local government's transactions or omissions. The Minister will decide whether there is reason to make such statement.

63b.-(1) The Minister of the Interior and Housing shall appoint for the term of office of the local councils three independent dedicated ghetto representatives. If a ghetto representative resigns, dies or is absent for a long period, the Minister of the Interior and Housing shall appoint a new ghetto representative for the remainder of the term of office.

(2) The ghetto representatives shall monitor the efforts of social housing associations, local governments and state authorities targeted at ghettos and vulnerable neighbourhoods, including the efforts to reduce the number of ghettos and vulnerable neighbourhoods and municipal efforts to repatriate people from such areas. The ghetto representatives shall monitor developments relative to milestones of master plans and development plans for the housing areas mentioned in the first sentence hereof. The ghetto representatives' evaluations of the said efforts and their recommendations for any revisions to such efforts may not concern the resource allocations decided by state authorities.

(3) The ghetto representatives shall publish their written evaluations and recommendations.

(4) In exceptional cases when the ghetto representatives find that the effect of efforts targeted at ghettos and housing areas with vulnerable people, including efforts to reduce the number of ghettos and housing areas with vulnerable people, is insufficient and that a particular municipal decision is necessary to maintain a satisfactory development, the ghetto representatives may make a concerted request to a local council to consider their reasoned proposal for such decision. The ghetto representatives shall publish such proposal and the reason for the proposal. The local council shall consider the proposal within three months of the ghetto representatives' submission of the reasoned written proposal to the local council. If the local council does not adopt the proposal, the local council shall publish the reason(s) for refusing the proposal together with a transcript of the minute book.

(5) Social housing associations, local councils and state authorities shall obtain and provide the information to the ghetto representatives that the ghetto representatives require for their activities. The ghetto representatives may set a deadline for obtaining and providing information.

(6) The ghetto representative shall make quarterly reports to the Minister of the Interior and Housing.

(7) The Ministry of the Interior and Housing provides secretariat support to ghetto representatives.

64.-(1) The bylaws of the Municipalities of Frederiksberg, Copenhagen, Odense, Aalborg and Aarhus may provide that a council cabinet be set up to govern municipal affairs. The rules of the second sentence of section 6(3) and the second sentence of section 7(2) apply with the necessary modifications to the members of a council cabinet.

(2) Provisions on the direct administration of municipal affairs, including on the transactions entrusted to individual members of a council cabinet to be performed at their own responsibility, must be laid down in the bylaws.

(3) Provisions must also be laid down in the bylaws on the deviations from the contents of this Act that are desirable due to the council cabinet scheme.

64a.-(1) The bylaws of the Municipalities of Frederiksberg, Copenhagen, Odense, Aalborg and Aarhus may provide that the chairs of the standing committees have the superior responsibility for the day-to-day management of the municipal administration performing the tasks within that committee's area of municipal administration. The chair of the local council has the superior responsibility for the day-to-day management of the other municipal areas of administration, unless otherwise provided in the bylaws.

(2) The committee chairs' management of their areas of administration is subject to the rules of the third and fourth sentences of section 31(3) and section 31(4). The local council chairs' management of their areas of administration is subject to the rules of the second to fourth sentences of section 31(3) and section 31(4). The rules of the second sentence of section 6(3), the second sentence of section 7(2) and the second sentence of section 11(1) apply with the necessary modifications to committee chairs.

(3) The rules of subsections (1) and (2) may also apply if a municipality mentioned in subsection (1) is governed by the rules of section 65.

(4) When a committee chair is absent for at least one month, the committee shall replace him or her by another councillor who is to perform the chair's duties, including the management of the municipal administration, for the duration of the absence. If a municipality is governed by the rules of section 65(3), the councillor to perform the duties of the chair, including the management of the municipal administration and membership of the finance committee, is elected by the group appointing the chair.

(5) Chairs of committees in municipalities governed by the rules of subsections (1) to (4) may be designated aldermen. In the municipality of Copenhagen the committee chairs may be designated mayors and the chair of the City Council Lord Mayor or Lady Mayor.

64b.-(1) A local council may stipulate in its bylaws that standing committees and the finance committee will not perform the direct administration of municipal affairs or only perform the direct administration of municipal affairs in certain areas, but see subsection (2).

(2) A finance committee shall perform the tasks entrusted to the finance committee under section 18(2) to (4), section 37 and section 45(1) and (2).

(3) Subsections (1) and (2) also apply if a municipality is governed by the rules of section 64a, section 65, or both provisions.

65.-(1) A local council may stipulate in its bylaws that the finance committee shall be composed of the chair of the local council, who also chairs the committee, and the chairs of the standing committees as well as – , if relevant – an additional number of councillors.

(2) The chairs of standing committees will be elected by the local council at the constitutive meeting directly after the election of the chair and deputy chair(s) of the local council. Elections will be conducted in accordance with the proportional representation system, provided always

that the same group notifications will apply to subsequent elections to standing committees and the finance committee, see subsections (3) and (4). Such committee members are elected for the term of office of the local council.

(3) Groups will decide according to the order in which the individual groups have become entitled to appoint committee chairmen on which committees they want to fill the positions of chair and which councillors they want to appoint chairs. No councillor may be appointed to more than one position as chair. In the allocation of seats, the position as chair of the finance committee is deemed to be the first chairmanship to which the group of councillors to which the chair of the local council belongs can be entitled. When the committee chairs have been elected, the other members of the standing committees are elected under the rules of sections 25 and 27, the position as chair being reckoned as the first seat to which the group of councillors to which the committee chair belongs can be entitled.

(4) If the bylaws provide that the finance committee shall be composed of an additional number of councillors, see subsection (1), the members of the finance committee will be elected in accordance with the proportional representation system, provided always that the seats filled pursuant to subsection (1) will be deducted from the total seats of the relevant group.

(5) A local council making a decision under subsection (1) may stipulate in its bylaws with effect from the next term of office that the election of the chair and deputy chairs must be managed as one election in accordance with the proportional representation system, see the second sentence of subsection (2). The group obtaining the highest quotient in the election is entitled to appoint the chair of the local council. The group appointing the chair of the local council will also appoint the deputy chair, unless two deputy chairs are elected, see section 6(5). The insertion or repeal of a provision in the bylaws under the first sentence hereof must be adopted prior to election day, see section 6(2) of the Local Government Elections Act (*lov om kommunale valg*).

(6) When a chair or deputy chair appointed pursuant to subsection (5) is relieved of his or her duties, dies or retires from the local council, the vacant seat will be filled for the remainder of the term of office of the local council by a person appointed by the group of councillors who appointed the retiring chair or deputy chair.

(7) When the substitute for a chair or deputy chair appointed in pursuance of subsection (5) has been joined pursuant to section 15(2) and the reason for such absence is expected to last at least two months, the group appointing the chair or deputy chair is entitled to appoint the person who is to perform the duties of the chair or, as the case may be, deputy chair for the duration of the absence.

65a.-(1) A local council may stipulate in its bylaws that no finance committee and standing committees will be set up to perform the direct administration of municipal affairs.

(2) In municipalities governed by the rules of subsection (1), the chair of the local council will exercise the powers vested in the finance committee by section 37(1) and section 45(1).

65b.-(1) A provision that a municipality shall be governed by the rules of sections 64, 64a, 64b, 65 and 65a must be adopted prior to or during the term of office. If a local council has decided during the term of office to change its form of governance, such decision will be binding for the remainder of the term of office of the local council.

(2) The Minister of the Interior and Housing may lay down detailed rules for the government of municipalities governed by the rules of sections 64a, 64b, 65 and 65a, including rules for allowances, etc., deviating from the rules of section 16.

65c.-(1) If so approved by the Minister of the Interior and Housing, a local council may insert rules in its bylaws applicable for one term of office, which deviate from the rules of section 16, section 16a, section 17, section 18(2) to (6), section 20(5), sections 21, 22, 37 and 38 and section 45(1) and (2) of this Act.

(2) If so approved by the Minister of the Interior and Housing, a local council may insert a provision in its bylaws on a different form of governance than governance by committees pursuant to Part III and the forms of governance mentioned in sections 64, 64a, 64b, 65 and 65a. Such decision must be adopted prior to or during the term of office of the local council and can apply only for that term of office or the remainder of the term of office.

(3) The Minister of the Interior and Housing may lay down detailed rules for a form of governance approved under subsection (2), including for the deviations from the contents of this Act necessitated or made desirable by that form of governance.

65d.-(1) A local council may decide on the establishment of local committees, including on the transfer of decision-making powers to the local committees in specified municipal affairs. Local committee members will be elected by the local council. The local council may decide that a number of observers will attend local committee meetings.

(2) Tasks within the following areas may be entrusted to local committees for their independent performance:-

(i) Tasks pertaining to the drafting of local plans, see Parts 5 and 6 of the Planning Act (*lov om planlægning*), in areas zoned for residential use within the framework of the municipal development plan.

(ii) Permissions to deviate from local plans and town planning regulations, see sections 19, 20 and 21(1) of the Planning Act, within the zones mentioned in paragraph (i).

(iii) Tasks pertaining to easements, profits à prendre and restrictive covenants, see section 43 of the Planning Act as concerns properties in the zones mentioned in paragraph (i).

(iv) Tasks pertaining to traffic safety, traffic management and traffic control measures, see Part 2 of the Act on Public Roads (*lov om offentlige veje*) and section 57 of the Act on Private Local Roads (*lov om private fællesveje*).

(v) Tasks pertaining to the maintenance and repair of private local roads, see Parts 6 and 9 of the Act on Private Local Roads.

(vi) Tasks pertaining to noise disturbance in connection with leisure time activities, see section 42 of the Environmental Protection Act (*lov om miljøbeskyttelse*).

(vii) Tasks under pollution rules laid down pursuant to sections 16 and 18 of the Environmental Protection Act.

(viii) Tasks under Part 6 of the Act on Compulsory Education (*lov om folkeskolen*).

(ix) Tasks pertaining to day care and after-school care facilities for children and young people, see sections 7, 19 and 63 of the Social Services Act (*lov om social service*).

(x) Tasks in pursuance of the case law on the performance of tasks by local authorities.

(3) If a local council entrusts tasks to local committees for their independent performance pursuant to subsection (2), regulations with detailed rules for the local committees and their activities must be adopted. The regulations may also provide that the chair will be granted an allowance. The regulations may otherwise contain provisions which make the establishment of local committees desirable, including provisions on deviations from the contents of this Act.

(4) Regulations on local committees must be adopted by the local council under the rules applicable to the adoption of municipal bylaws, see section 2(2), and approved by the Minister of the Interior and Housing upon negotiation with the relevant Minister. The regulations and amendments to regulations must be published.

(5) Decisions of local committees concerning affairs entrusted to the local committees for their independent performance pursuant to subsection (2) can be brought before superior authorities to the same extent as decisions made by a local council.

(6) The rules of sections 47 to 56, 61 and 63 apply with the necessary modifications to local committees and their members.

65e.-(1) A local council may stipulate in its bylaws that it will open a citizens advice bureau that does not fall within the scope of the powers of the standing committees or the finance committee to perform the direct administration of municipal affairs. The chief executive of the citizens advice bureau will be employed and dismissed by the local council.

(2) As concerns the citizens advice bureau, a finance committee shall perform the tasks entrusted to finance committees under section 18(2) to (4), section 37 and section 45(1) and (2).

(3) A citizens advice bureau does not fall within the scope of the mayor's superior responsibility for the day-to-day management of the municipal administration.

(4) Citizens advisors may only perform tasks pertaining to advice and guidance of citizens and to supervision of the municipal administration.

(5) Subsections (1) to (4) apply with the necessary modifications if a municipality is governed by the rules of section 64a, section 64b, section 65, section 65a or by more of the said provisions.

66.-(1) If intentionally or through gross negligence a mayor neglects a duty incumbent on him or her pursuant to this Act, the local council may appoint one of its councillors under the rules of section 24(1) to perform the task affected by such negligence of duties.

(2) Subsection (1) applies with the necessary modifications to council cabinet members and committee chairs in municipalities governed by the rules of both section 64a and section 65.

66a.-(1) If intentionally or through gross negligence a mayor neglects a duty incumbent on him or her pursuant to this Act, the mayor may be removed if the duty was neglected in a particularly aggravating manner. The local council shall make a reasoned recommendation to the Electoral Commission (*Valgnævnet*) set up pursuant to the Parliamentary Elections Act (*lov om valg til Folketinget*). If the Electoral Commission finds that the relevant conditions have been met, the Commission will decide on the removal of the mayor.

(2) The local council shall promptly notify the mayor in writing of its recommendation.

(3) If required, the Electoral Commission may require a judicial examination in accordance with section 1018 of the Administration of Justice Act (*retsplejeloven*). The mayor must be allowed the opportunity to make an oral presentation of the matter before the Electoral Commission as specified by the Board if he or she so requests.

(4) When the Electoral Commission has decided on the removal of a mayor under subsection (1), the local council shall elect one of its councillors as mayor for the remainder of the term of office under the rules of section 24(1).

(5) The payment of allowances to a removed mayor will cease as from the end of the month in which the Electoral Commission decides on the removal under subsection (1).

(6) Subsections (1) to (5) apply with the necessary modifications to council cabinet members and committee chairs in municipalities governed by the rules of both section 64a and section 65. The group of councillors who appointed the removed councillor is entitled to appoint a person to fill the seat left vacant.

66b.-(1) If a mayor is charged with a criminal offence punishable by imprisonment for a term of at least four years according to legislation, the local council may request the Electoral Commission (*Valgnævnet*) to suspend the mayor. If a criminal conviction will make the mayor ineligible to stand for election and a suspension may not be considered inadvisable, the Electoral Commission will decide on the suspension. The period of suspension will last until the mayor resigns from the local council, see subsection (4), or resumes office as mayor, see subsection (5).

(2) The local council shall promptly notify the mayor in writing of its request.

(3) When the Electoral Commission has decided on the suspension of the mayor under subsection (1), the local council shall appoint one of its councillors as acting mayor under the rules of section 24(1).

(4) If the suspended mayor becomes ineligible to stand for election due to a sanction for the criminal offence mentioned in subsection (1) and resigns from the local council for that reason

under the provisions to this effect in the Local and Regional Government Elections Act (*lov om kommunale og regionale valg*), the acting mayor pursuant to subsection (3) will continue as mayor for the remainder of the term of office.

(5) If charges are not preferred against the suspended mayor, if the mayor is acquitted by a final judgment, or if the mayor continues to be eligible to stand for election after the final judgment or an extrajudicial sanction, see section 4(1) and (2) of the Local and Regional Government Elections Act, he or she will resume office for the remainder of the term of office. Following a high court judgment acquitting the mayor, he or she will only resume office when the ordinary period for application for leave to appeal to the Supreme Court has expired and no application to this effect has been lodged, or if an application to this effect has been lodged after the final acquittal of the mayor.

(6) The Prosecution Service will notify the local council if a mayor is charged with a criminal offence punishable by imprisonment for a term of at least four years according to legislation.

(7) The payment of allowances to a suspended mayor will cease as from the end of the month in which the Electoral Commission decides on the suspension. If the suspended mayor resumes office, see subsection (5), he or she will be entitled to a back payment of the mayor's allowance for the period of suspension.

(8) Subsections (1) to (7) apply with the necessary modifications to council cabinet members and committee chairs in municipalities governed by the rules of both section 64a and section 65. The group of councillors who appointed the suspended councillor is entitled to appoint a councillor who is to temporarily perform the duties.

66c.-(1) If a mayor has shown himself or herself unworthy of the esteem and trust required by the office, whether it is attributable to circumstances in the performance of his or her duties as mayor or otherwise, and the local council decides that for that reason the mayor no longer enjoys

the trust of the local council and must be removed, the mayor will be considered to be relieved of his or her duties.

(2) For the adoption of a resolution under subsection (1), at least nine tenths of all councillors present when the proposed resolution is considered by the local council, see subsection (3), must vote in favour of the adoption of and the reason for the proposed resolution, provided always that it will suffice if all councillors except for the mayor vote in favour of the resolution.

(3) The local council shall have at least two debates on a resolution to remove the mayor under subsection (1) with an interval of at least six days and no more than 12 days. The local council's adoption of a resolution under subsection (1) and the reason for the resolution must be entered into the minute book after each debate, see section 13. The local council shall promptly notify the mayor in writing of the adoption of the resolution under subsection (1).

(4) The mayor may attend the debate and voting of the local council.

(5) When a decision has been adopted under subsection (1), the local council shall elect one of its councillors as mayor for the remainder of the term of office under the rules of section 24(1).

(6) The removed mayor may bring the lawfulness of the local council's adoption of the resolution under subsection (1) before the Electoral Commission (*Valgnævnet*). A complaint must be filed with the Commission no later than 14 days after the second debate on the local council's resolution to remove the mayor.

(7) If the Electoral Commission decides that the adoption of the resolution under subsection (1) was unlawful, the removed mayor will resume office for the remainder of the term of office.

(8) The payment of allowances to the removed mayor will cease as from the end of the month in which the local council decides on the removal under subsection (1). If the removed mayor resumes office, see subsection (7), the mayor must be paid allowances as if he or she had not been removed.

(9) Subsections (1) to (8) apply with the necessary modifications to council cabinet members and committee chairs in municipalities governed by the rules of both section 64a and section 65. The group of councillors who appointed the removed councillor is entitled to appoint a person to fill the seat left vacant.

66d.-(1) A mayor is entitled to have legal fees for the lawyer appointed by the mayor to represent or assist him or her in connection with a case under sections 66a to 66c refunded by the local government under the rules of subsections (2) and (3).

(2) Legal fees must be for assistance in a case under sections 66a to 66c.

(3) A local council shall fix the amount of legal fees and costs in accordance with the rates payable to counsel assigned in criminal proceedings.

(4) Subsections (1) to (3) apply with the necessary modifications to council cabinet members and committee chairs in municipalities governed by the rules of both section 64a and section 65.

67.-(1) Provisions on wages and salaries of and other employment conditions for municipal staff must be approved by the Remuneration Commission mentioned in subsection (2). The Remuneration Commission shall also approve provisions on wages and salaries of and other employment conditions for staff of self-governing harbours, see the Act on Harbours (*lov om havne*), transport authority staff, see the Act of Public Transport Operators (*lov om trafikskaber*), as well as private railway staff employed on conditions similar to those of civil servants. The Minister of the Interior and Housing may decide that wages and salaries of and other employment conditions for staff of independent institutions given a contract by the local authority to perform statutory obligations imposed on local authorities must also be approved by the Remuneration Commission. The Remuneration Commission may decide that the number of positions in specified staff groups, which are otherwise subject to the power of approval of the Remuneration Commission, must be submitted to the Remuneration Commission for approval.

(2) The Local Government Remuneration Commission (*Kommunernes Lønningsnævn*) is composed of eight members and their substitutes, who must be approved by the Minister of the Interior and Housing. The procedure to be followed for approval of members is that four members must be approved following nomination by Local Government Denmark (*Kommunernes Landsforening*), two members must be approved following a joint nomination by the regional councils, one member must be approved following nomination by the Minister of Finance and one member must be appointed by the Minister of the Interior and Housing.

(3) If revisions to or omissions in the organisation of the local government sector in confederations of local governments give rise to changes, the Minister of the Interior and Housing may amend the provisions on the right to nominate Remuneration Commission members and on the defrayal of the expenditure relating to the activities of the Remuneration Commission deemed necessary by the Minister of the Interior and Housing in this connection.

(4) The Minister of the Interior and Housing shall lay down detailed rules for the composition and activities of the Remuneration Commission following discussions with the confederations of local governments and local governments having the right to nominate Remuneration Commission members, see subsections (2) and (3).

68.-(1) Real property owned by a local government may be sold only at a public sale. The Minister of the Interior and Housing may lay down rules for public sale procedures and rules allowing certain sales without a public sale.

(2) The rules of subsection (1) do not apply to the sale of real property for the purpose of creating subsidised housing pursuant to the Act on Social Housing, etc. (*lov om almene boliger m.v.*) and the Act on Subsidised Youth Housing Operated by Private Owners (*lov om støttede private ungdomsboliger*).

68a.-(1) A local council may appoint one or more members to the board of directors or governors of a company, an association, a foundation, etc., performing tasks that the local authority could perform itself, regardless that the company, association, foundation, etc., also performs tasks which the local authority cannot perform itself, provided that the local authority has an interest in the activities performed by the company, association, foundation, etc. The local council may not appoint a majority of the members of such board of directors or governors.

(2) A local council may appoint one or more members to the board of directors or governors of a company, an association, a foundation, etc., exclusively performing tasks which the local authority cannot perform itself, provided that the local authority has an interest in the activities performed by the company, association, foundation, etc. The local council may not appoint a majority of the members of such board of directors or governors.

(3) A member of the board of directors or governors of a company, an association, a foundation, etc., appointed pursuant to subsection (1) is not obliged to comply with decisions made by the local council on the performance of those duties as concerns the performance of tasks which the local authority cannot perform itself, or to the extent otherwise laid down in the legislation applicable to the relevant company, association, foundation, etc. A member of the board of directors or governors of a company, an association, a foundation, etc., appointed pursuant to subsection (2) is not obliged to comply with decisions made by the local council on the performance of their duties.

69.-(1) If it is not possible to convene the local council in times of crisis or war, the finance committee will assume the powers vested in the local council and its committees. In municipalities governed by a council cabinet, see section 64, the council cabinet will assume the powers vested in the local council.

(2) If it is not possible to convene the finance committee in times of crisis or war, the municipal affairs will be governed by the mayor. If it is not possible in municipalities governed by a council cabinet to convene the council cabinet, the municipal affairs will be governed by the mayor.

(3) The Minister of the Interior and Housing must be notified of any use of the rules of subsections (1) and (2) as soon as possible. The Minister of the Interior and Housing may lay down detailed rules for local government affairs in times of crisis or war.

70.-(1) This Act comes into force on 1 April 1970, but see subsections (4) and (5).

(2) This Act or any part hereof may be put into force for certain municipalities before this date by order of the Minister of the Interior and Housing.

(3) The following provisions are repealed:

(i) The Act on Borough Councils (*lov om købstadkommunernes styrelse*), see Consolidation Act No. 362 of 22 September 1965.

(ii) The Act on Rural District Councils (*lov om landkommunernes styrelse*), see Consolidation Act No. 363 of 22 September 1965, except for Part III.

(iii) The Local Government Elections Act (*lov om kommunale valg*), see sections 32 and 37(1) of Consolidation Act No. 455 of 21 December 1965.

(iv) Section 22 of Act No. 79 of 20 April 1908 on Local Government Elections (*lov nr. 79 af 20. april 1908 om kommunale valg*).

(v) Section 35 of Act No. 85 of 15 May 1903 Amending and Complementing the Current Rules for Municipal Taxes and for State Grants to Local Governments (*lov nr. 85 af 15. maj 1903 om ændringer i og tillæg til de nugældende regler for den kommunale beskatning samt om statstilskud til kommunerne*).

(4) (Omitted)

(5) The Minister of the Interior and Housing may decide that section 67 will come into force prior to the date specified in subsection (1). Simultaneously with the commencement of section 67, the following provisions are repealed:

(i) Sections 20 and 31(3) of the Act on Borough Councils, see Consolidation Act No. 362 of 22 September 1965.

(ii) Sections 15(3) and 29(3) of the Act on Rural District Councils, see Consolidation Act No. 363 of 22 September 1965.

(iii) Section 8(1) of Act No. 75 of 18 March 1938 Amending and Complementing the Act on the Governance of the Affairs of Copenhagen Municipality (*lov nr. 75 af 18. marts 1938 om forandringer i og tillæg til lov om bestyrelsen af Københavns kommunale anliggender*).

71. This Act does not apply to the Faroe Islands and Greenland.

Act No. 176 of 21 February 2017 Amending the Act on Local Government and the Act on Regions (Transfer of Municipal and Regional Supervisory Powers to the National Social Appeals Board, Compensation for Travel Expenses to Councillors Performing Civil Marriage Ceremonies and Targeted Selection of Supervisory Cases by the National Social Appeals Board, etc.) (*lov nr. 176 af 21. februar 2017 om ændring af lov om kommunernes styrelse og regionsloven (Overførsel af det kommunale og regionale tilsyn til Ankestyrelsen, befordringsgodtgørelse til kommunalbestyrelsesmedlemmer ved foretagelse af borgerlige vielser og målretning af Ankestyrelsens udvælgelse af tilsynssager m.v.)*)¹⁾ contains the following provision on commencement:

Section 3

(1) This Act comes into force on 1 April 2017.

(2) Section 1(1)(iii)²⁾ does not apply to inquiries received before the commencement of this Act. The rules hitherto in force apply to such inquiries.

(3) The powers vested in the State Administration (*Statsforvaltningen*) or the supervisory authority under rules issued pursuant to the Act on Local Government (*lov om kommunernes styrelse*) and the Act on Regions (*regionsloven*) are exercisable by the National Social Appeals Board (*Ankestyrelsen*).

(4) Cases before the State Administration concerning municipal and regional supervision not decided at the commencement of this Act will be decided by the National Social Appeals Board. After the commencement of this Act, the National Social Appeals Board may also exercise the powers vested in the State Administration or the supervisory authority pursuant to the Act on Local Government and the Act on Regions as amended by this Act and pursuant to rules issued pursuant to those Acts relative to municipal or regional transactions or omissions taking place before the commencement of this Act.

(5) After the commencement of this Act, the Minister of the Interior and Housing may also exercise the powers granted under Part VII of the Act on Local Government and under the Act on Regions as amended by this Act relative to transactions or omissions of the State Administration taking place before the commencement of this Act. The said powers may be exercised in that connection over the National Social Appeals Board, see section 47 of the Act on Local Government as amended by section 1(1)(i) of this Act.

Act No. 144 of 28 February 2018 Amending the Act on Local Government and Various Other Acts (Repeal of the Requirement of Approval of Small Inter-Municipal Cooperation Bodies) (*lov nr. 144 af 28. februar 2018 om ændring af lov om kommunernes styrelse og forskellige andre love*

(*Ophævelse af godkendelseskravet for små kommunale fællesskaber*)³⁾ contains the following provision on commencement:

Section 6

(1) This Act comes into force on 1 July 2018.

(2) Section 1 does not apply to requests under section 60 of the Act on Local Government (*lov om kommunernes styrelse*) received by the National Social Appeals Board (*Ankestyrelsen*) before the commencement of this Act. The rules hitherto in force apply to such requests.

Act No. 145 of 28 February 2018 Amending the Act on Local Government (Removal of the Biannual Financial Reporting Requirement) (*lov nr. 145 af 28. februar 2018 om ændring af lov om kommunernes styrelse (Afskaffelse af halvårsregnskab)*)⁴⁾ contains the following provision on commencement:

Section 2

This Act comes into force on 1 May 2018.

Act No. 242 of 24 March 2018 Amending the Parliamentary Elections Act, the Local and Regional Government Elections Act and the Act on Local Government (Candidate Eligibility Reform) (*lov nr. 242 af 24. marts 2018 om ændring af lov om valg til Folketinget, lov om kommunale og regionale valg og lov om kommunernes styrelse (Reform af valgbarhedsområdet)*)⁵⁾ contains the following provisions on commencement:

Section 4

This Act comes into force on 1 April 2018.

Section 5

(1) This Act applies to all matters pertaining to the loss of eligibility to stand for election due to a sanction imposed or accepted after the commencement of this Act.

(2) This Act applies to all matters pertaining to the loss of eligibility to stand for election due to a sanction imposed or accepted before the commencement of this Act, provided that the matter has not been brought before the Candidate Eligibility Commission (*Valgbarhedsnævnet*) at the date of the commencement of the Act.

(3) and (4) (Omitted)

(5) Allowances received before the commencement of this Act shall not be repaid as a consequence of this Act.

(6) and (7) (Omitted)

Act No. 503 of 23 May 2018 Amending the Act on the Processing of Personal Data by Law Enforcement Authorities, the Act on Information Databases of Mass Media and Various Other Acts (Amendments in Consequence of the Data Protection Act and the General Data Protection Regulation as well as the Application of the Media Liability Act on Information Databases Available to the Public, etc.) (*lov nr. 503 af 23. maj 2018 om ændring af lov om retshåndhævende myndigheders behandling af personoplysninger, lov om massemediers informationsdatabaser og forskellige andre love (Konsekvensændringer som følge af databeskyttelsesloven og databeskyttelsesforordningen samt medieansvarslovens anvendelse på offentligt tilgængelige informationsdatabaser m.v.)*)⁶⁾ contains the following provision on commencement:

Section 32

(1) This Act comes into force on 25 May 2018, but see subsection (3).

(2) and (3) (Omitted)

Act No. 748 of 8 June 2018 Amending the Act on Local Government, the Local and Regional Government Elections Act and the Act on Regions (Binding Municipal Referendums) (*lov nr. 748 af 8. juni 2018 om ændring af lov om kommunernes styrelse, lov om kommunale og regionale valg og regionsloven (Bindende kommunale folkeafstemninger)*)⁷⁾ contains the following provision on commencement:

Section 4

(1) This Act comes into force on 1 July 2018.

(2) The Act has effect for referendums on decisions made by local councils after the commencement of this Act.

(3) to (6) (Omitted)

Act No. 1738 of 27 December 2018 Amending the Act on Local Government (Ghetto Representatives) (*lov nr. 1738 af 27. december 2018 om ændring af lov om kommunernes styrelse (Ghettorepræsentanter)*)⁸⁾ contains the following provision on commencement:

Section 2

(1) This Act comes into force on 1 January 2019.

(2) Section 1 applies to the ghetto representatives appointed by the Minister of the Interior and Housing before the commencement of this Act. The ghetto representatives need not be reappointed.

Act No. 1739 of 27 December 2018 Amending the Parliamentary Elections Act, the Local and Regional Government Elections Act, the Act Concerning the Election of the Danish Members of the European Parliament, the Act on Annual Accounts of Political Parties and the Act on Local Government (Revision to the Number of Danish Members of the European Parliament, Prohibition of Identical Names of Candidate Lists, Grant of Voting Rights to Expats subject to Guardianship Combined with Deprivation of Legal Capacity in Financial Affairs in European Parliament Elections, Safeguarding of the Voting Rights and Candidate Eligibility Rights of EU Citizens Resident in Denmark as from the Date of Relocation, Enactment of Special Remuneration Scheme for Substitutes on Local Councils and Regional Councils, etc.) (*lov nr. 1739 af 27. december 2018 om ændring af lov om valg til Folketinget, lov om kommunale og regionale valg, lov om valg af danske medlemmer til Europa-Parlamentet, partiregnskabsloven og lov om kommunernes styrelse (Ændring af antallet af danske medlemmer af Europa-Parlamentet, forbud mod ens listebetegnelser, valgret til Europa-Parlamentsvalg til udlandsdanskere under værgemål med fratagelse af den retlige handleevne, sikring af udøvelsen af herboende EU-statsborgeres valgret og valgbarhed fra bopælstidspunktet, lovfæstelse af en særlig vederlagsordning for stedfortrædere i kommunalbestyrelsen og regionsrådet m.v.)*)⁹⁾ contains the following provision on commencement:

Section 6

(1) This Act comes into force on 1 January 2019.

(2) to (4) (Omitted)

Nikolaj Stenfalk

/ Maj Skytte Petersen

Official notes

- ¹⁾ The amendment set out in section 1 of Act No. 176 of 21 February 2017 concerns sections 16f, section 48a og section 65d and replaces 'State Administration' ('*statsforvaltningen*' and '*Statsforvaltningen*') with 'National Social Appeals Board (*Ankestyrelsen*)' throughout the Act.
- ²⁾ The amendment set out in section 1(1)(iii) of Act No. 176 of 21 February 2017 concerns section 48a.
- ³⁾ The amendment set out in section 1 of Act No. 144 of 28 February 2018 concerns section 60(1) and section 60a.
- ⁴⁾ The amendment set out in section 1 of Act No. 145 of 28 February 2018 concerns section 46(1) and section 57(1) and repeals section 36(2) and section 45a.
- ⁵⁾ The amendment set out in section 3 of Act No. 242 of 24 March 2018 concerns the third sentence of section 50b(3), the second sentence of section 66a(1), the first and second sentences of section 66a(3), section 66a(4) and (5), the first sentence of section 66b(1), section 66b(3), the first sentence of section 66b(7), the first sentence of section 66c(6), section 66c(7) and the first sentence of section 66b(5).
- ⁶⁾ The amendment set out in section 28 of Act No. 503 of 23 May 2018 concerns section 8b.
- ⁷⁾ The amendment set out in section 1 of Act No. 748 of 8 June 2018 concerns sections 9b to 9d.
- ⁸⁾ The amendment set out in Act No. 1738 of 27 December 2018 concerns section 63b.
- ⁹⁾ The amendment set out in section 5 of Act No. 1739 of 27 December 2018 concerns section 16(7) and (8) and section 34(1).