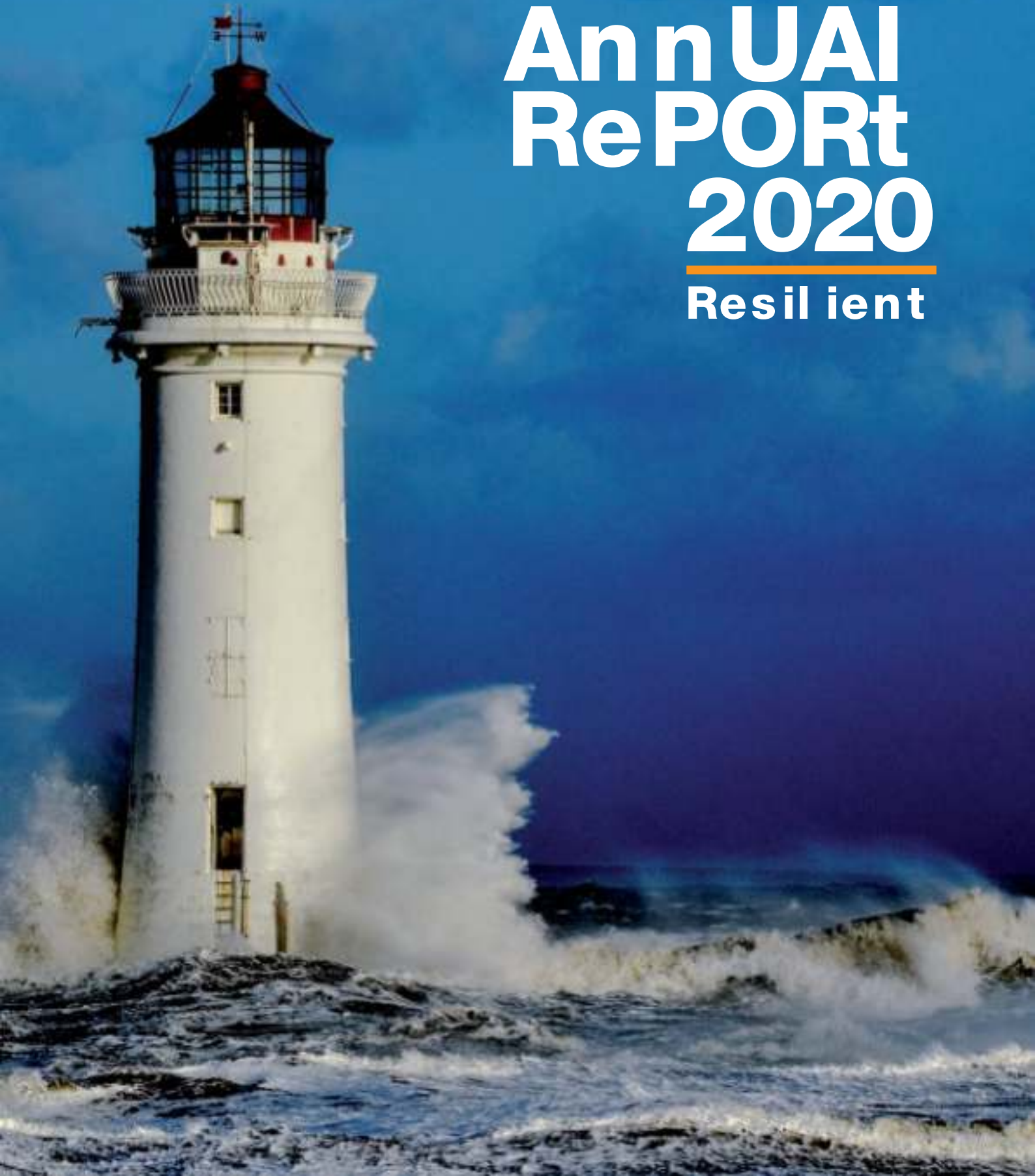


CENTRE FOR
PUBLIC
ADMINISTRATION
RESEARCH

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Annual RePORT 2020

Resilient





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The annual report reflects the activities of KDZ in 2020.
It serves as an overview of KDZ's activities and services
for the Management Board and the members as well
as interested individuals.

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Resilient

2020 was a difficult year for all of us. "Expect the unexpected" has been the name of the game in management circles for many years. Yet no one was prepared for a health and economic crisis of this magnitude. Suddenly, our daily routine changed. Many of our projects had to be postponed or redesigned, and we digitalised the training area in the space of just a few weeks. Looking back, we ask ourselves: "How did we manage to pull it off?"

There are three factors that made KDZ resilient in 2020 and that permit us to close this year with an optimistic view of the future. On the one hand, these factors include the employees of KDZ, who have acted quickly, flexibly and exceptionally. Whether in terms of setting up their own workplace at home, learning new – mostly digital – skills or adopting a flexible can-do attitude when new tasks needed tackling. On the other hand, they include our customers and partners. Together with them, we have developed solutions, new ways of working together and innovative project ideas. Our thanks for this go to all our employees, customers and partners.

We are particularly proud of factor "three" of our resilience base. These are the many new projects, methods, experiences and seized opportunities that the year has yielded. With this annual report, you hold a summary thereof in your hands. For example, we were the first to conduct a survey of municipalities on the new challenges under the motto "Municipalities and CORONA – Maintaining the ability to

act now!" Drawing on our years of experience in risk management, we have been able to help many municipalities to better prepare for future crisis situations. We have pioneered the use of digital collaboration tools in consulting & training and have received an abundance of positive feedback for this from our customers.

We seized new opportunities and established a European network of cities committed to promoting quality, innovation, sustainability and inter-generational equity in public finances. We also seized the moment to advance digitalisation with regard to CAF-Online and [wissensmanagement.gv.at](https://www.wissensmanagement.gv.at).

Last but not least, 2020 greatly challenged our financial experts. The implementation of the new budget law in the Regions and municipalities would have been arduous enough taken by itself. The municipal financial projections were also of particular importance this year. We are delighted that our municipal financial projections are generally recognised. It is through years of experience in municipal practice and public finance analysis that we have earned such recognition. This has also contributed to building our capacity for resilience in the face of crisis, a capacity that we demonstrated in 2020.



Peter Biwald



Thomas Prorok

A full-page photograph of two men standing in a modern, brightly lit interior space with curved white walls and a light-colored tiled floor. The man on the left is taller, with grey hair and glasses, wearing a dark blue suit, white shirt, and a blue and white striped tie. The man on the right is shorter, with short brown hair and glasses, wearing a grey suit, light blue shirt, and a dark tie. Both are looking towards the camera.

**PeTer
Biwald**

Managing Director

**Thomas
Prorok**

Deputy Managing
Director, authorised
representative
(Prokurist)



KDZ
AnnUAI
RePORT
2020

**new
memberS**
(8 mUniciPAI it ies)

105

PROj ects execUt eD

54 projects
Public management consulting



17 projects
Public finance and federalism

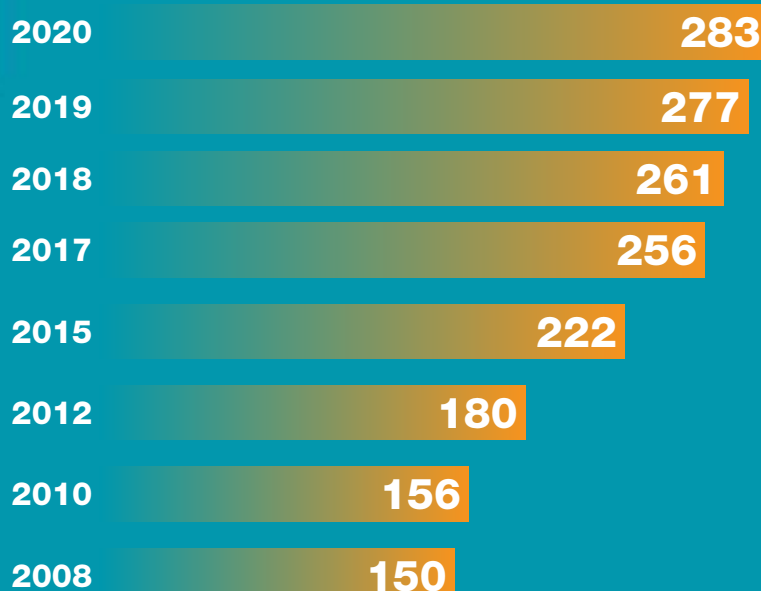


34 projects
european governance & urban policy



283

membeRs



“
with 105 projects
and 134 seminars,
we contributed to
strengthening the public
sector during
the corona crisis.

PETER BIWALD
MANAGING DIRECTOR

07

KDZ
AnnUAI
RePORt
2020

NEW KDZ WEBSITE

ResPOnSiVe, t eChnicAl ly UP t O DAt e,
with A UseR-FRienDly Design AnD mUch mORe.
t hOse weRe sOmE OF t he ReqUiReMent s
we set FOR OUR new websit e in 2020.



Today, as you hold the Annual Report 2020 in your hands and read these lines, our new website is online and meets the latest requirements for a modern, user-friendly and graphically advanced website.

new online shop for KDZ training

One of the core elements of the new website is the brand-new online shop for KDZ training offers. Interested visitors can use the free text search to browse through our continuously updated training programme and sign up themselves or other interested parties with just a few clicks of the mouse. The search also offers the possibility of listing all our training offers separately according to face-to-face and online seminars.

Anyone interested in training can search in more detail in the individual seminar categories and by topics. In this way, users can specifically access the offers that coincide with their focus of interest or area of responsibility.

Users can find an overview of the entire training programme – including options offered in the past – under the tab “All seminars” at the far right. This provides interested parties with a full overview of our comprehensive training programme.

t he new KDZ knowledge centre

Another innovation on the new website is the KDZ knowledge centre. This is where users can find all our knowledge offerings in structured and searchable form, starting with our studies, our publication series and our Forum Public Management magazine ranging to the annual reports and our newsletter. One of the knowledge centre's special highlights is the member platform. It offers our members exclusive online access to our specialised library with over 9,000 books and 20,000 selected magazine articles.

new communication options

The new website also offers new possibilities of communication. In the future, KDZ experts will offer insights into their work on a weekly basis in the KDZ blog. The blog will also feature guest contributions from KDZ project and cooperation partners. If you have a guest contribution to make on a topic relevant to public administration, please get in touch with us. In addition, interested parties have the option of engaging in even closer contact with us on social media and to compare notes with us via Facebook, Twitter and LinkedIn.

What is more, the new KDZ website is available in German and English. This year, we have also begun offering an English newsletter to an interested audience. Subscribe and check out our new website.



English newsletter subscription link:
<http://eepurl.com/dfXF9f>



www.kdz.eu

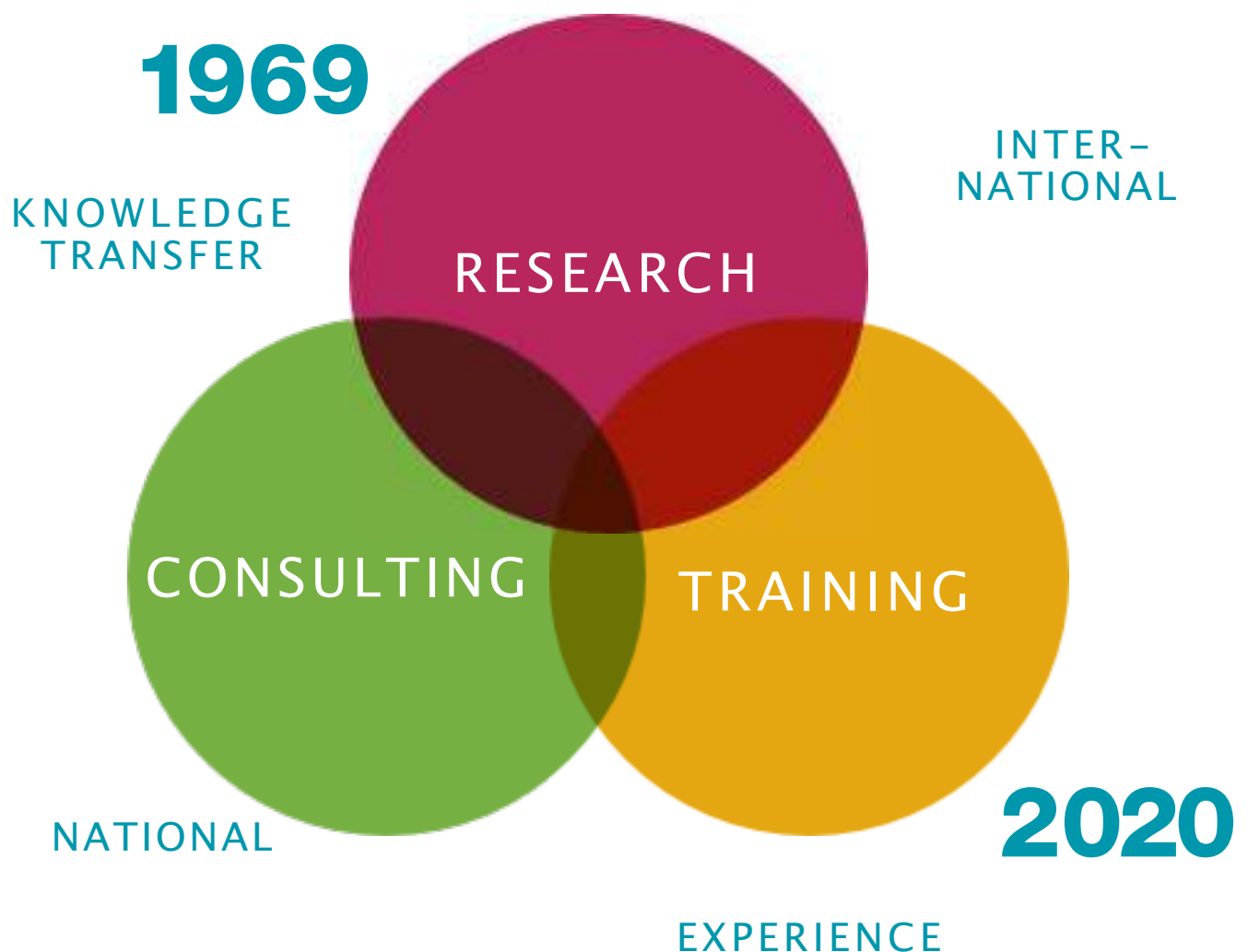
VisiOns

WE WANT A SUSTAINABLE MODERNISATION OF THE PUBLIC SECTOR

The KDZ – Centre for Public Administration Research is a non-profit association headquartered in Vienna

We are a competence centre and knowledge platform for the public sector, in particular for cities and municipalities, Regions, federal government and the European level.

We think and act in a holistic and interdisciplinary fashion. In the areas of public management consulting, European governance & urban policy, public finances and federalism as well as training, we are committed to a high-quality public sector for which we develop made-to-measure concepts and solutions. Our range of services includes applied research, consulting and training, and our expertise has been in demand since 1969.



VAI Ues
 IN OUR DECISIONS,
 WE VALUE SOCIAL BENEFIT
 OVER THE PURSUIT
 OF PROFIT.

**DemOc RAcy
 et hics
 qUAI it y
 t RAn sPARency
 PARt ic iPAt iOn
 imPAc t ORient At iOn
 ResPOnsibil it y
 sUst AinAbil it y
 ecOnOmic eFFiciency
 eqUAI OPPORt Unit y**

PUBl ic mAnAgement cOnsUlting

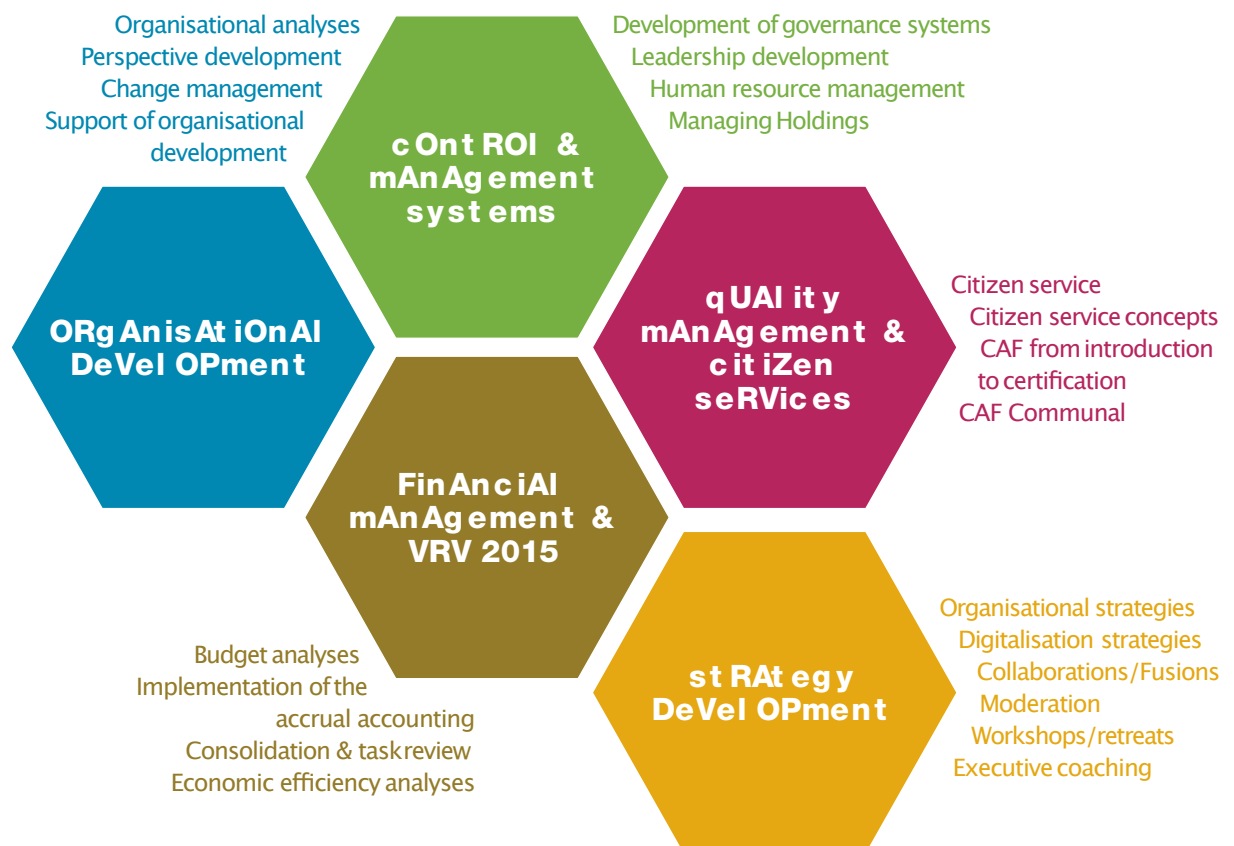
We support cities and municipalities and their companies, Regions, the federal government, associations and NGOs with various issues related to organisational development, governance & management systems, financial management, quality management and strategy development.

Individual, tailor made and needs-oriented solutions help our customers to harness their potential. A solution-driven approach, accuracy of fit and feasibility are important benchmarks for us.

A collaborative partnership, transparent and professional project management are the vital basics of sustainable, trustful and reliable cooperation.

54

PROj ect s in 2020



eUROPeAn gOVeRnAnce AnD URbAn POLicy



34

**PROj ect s
in 2020**

We stand for good governance, transparency and open government in the European Union and its neighbouring countries.

The good cooperation of federal government, Regions and municipalities as part of national governance is particularly important to us. Our projects contribute to the further development of federal structures and multi-level governance architectures, and in doing so, we also highlight the benefits of public action (public value).

As part of our focus on city and urban regional policy, we promote an intensive exchange of knowledge beyond Austria's national borders and are active in the European Union and the Danube area.

On the other hand, we support city regional initiatives, in the awareness that cities are also always part of the regions that surround them. More than ever, citizens are demanding openness and transparency in the actions of state institutions. Our open government and open data activities are an important contribution to this.

13

**KDZ
AnnUAI
RePORT
2020**

PUBl ic FinAnc e AnD FeDeRAI ism

We are a strong and loyal partner for the further development of the governance and financing of public services as part of multi-level governance.

Our goal is to bring more transparency to complex issues related to the federal state. In this context, we shed light on the financial relationships and collaboration of the players involved. From this, we develop forward-thinking models to optimise governance and improve collaboration between players.

Our work contributes to a balanced and progressive fiscal equalisation as well as to the strategic further development of central task areas such as nursing, education, childcare, public transport or climate protection. Another of our key priorities is to present Austrian municipal finances in a transparent manner and to contribute to their sustainability.

www.kdz.eu/en/knowledge

11

PUBl ished st UDies

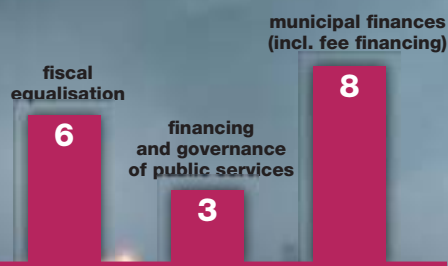
14

l ect URes

45

exPeRt PAPeRs

17



PROj ects PUBl ic FinAnc e
AnD FeDeRAI ism

14

KDZ
AnnUAl
RePORt
2020



t RAining



We have been a competent training partner for the public sector for many years. Our broad range of training courses always keep pace with the times and address current requirements of public administration.

The methods and concepts ensure education and training in step with actual practice and tailored to the public sector.

The 2020 training year focused very strongly on advanced and in-depth offerings for the implementation of the budget reform (VRV 2015) in Austrian cities and municipalities. The COVID-19 pandemic presented us with particular challenges. At the end of March, we found ourselves compelled to transition all our face-to-face seminars to a digital format. Every effort was made and thanks to the preparatory work invested in previous years, we succeeded. We are very grateful to our customers for showing interest in our digital offers in such large numbers.

DiVeRsity OF t OPics

- economic efficiency & financial management
- municipal budget reform (VRV 2015)
- Public management & governance
- Legal update
- Leadership
- communication and customer management
- innovation & digital competencies
- KDZ practice forums & networks

www.kdz.eu/en/courses

**t he KDZ 2020 training year
in numbers**

2,012

**PARt ic i PAn t s
At t en De D OUR
134 seminARs
t hROUg hOUt AUst RiA**

12

**in-hOUse seminARs
weRe t Ai LORe D
t O in DiViDUAL
ReqUiReMeNt s**

50

**exPeRt s weRe inViT eD
t O giVe l eCt UReS On
sPeCiFiC t OPics**

97%

**VeRy sAt isFieD
ANd sAt isFieD
seminAR cLiEnt s**

15

**KDZ
AnnUAl
RePORt
2020**



m



from left to right
alexander maimer
Clemens hödl
dalilah Pichler
robert Blöschl
wolfgang oberascher
Philip Parzer
klaus wirth

PUBLIC An Agreement CONSULTING

IN THE EYE OF THE STORM ...

the yeAR 2020 wAs A yeAR OF gReAt chAnge.

The Corona pandemic posed huge challenges to the world at large and to us on a small scale, successful business models and procedures developed and tested for years were suddenly relativized.

Before the end of the first wave of the pandemic, we conducted a survey of all the 96 municipalities in Vorarlberg on behalf of the Vorarlberger Association of Municipalities (Vorarlberger Gemeindeverband) and the Office for the Future of the Land Vorarlberg (Zukunftsbüro des Landes Vorarlberg) under the motto “Municipalities and CORONA – Maintaining the ability to act now!” and investigated what the most pressing concerns are and what is particularly important in terms of support in this situation.

Yet, even as the municipalities shared stories of their many positive experiences of support and solidarity in the face of adversity, these already stood in stark contrast to concerns about the incalculable financial conse-

quences. With a small circle of local experts from Vorarlberg, we reflected on the lessons learned from the crisis and the findings of the survey in several video conferences and discussed first approaches to enhancing the resilience of municipalities to crisis.

At the same time, on behalf of the Austrian Association of Cities and Towns, we also analysed the financial situation of nine cities as examples, in order to assess their financial resilience to the crisis. Together with the directors of finance, we were able to identify and specify the impending need for action relatively “early” in the crisis – and we were also forced to acknowledge that federal solidarity is necessary for compensation. Without at least partial compensation for the loss of operational revenue, the ability to act at the municipal level would be massively restricted. At the end of 2020, this insight was confirmed and will continue to occupy the cities and municipalities as they transition into 2021.

Perhaps many sceptics and critics were also surprised by the **flexibility and adaptability local governments demonstrated** during the crisis, when acting quickly and sometimes unconventionally made all the difference (keyword: service despite closed town halls, video conferences, work from home, digital services etc.).

In spite of the longing for normalcy, we should not forget to appreciate the potential revealed and mobilised at short notice during the crisis, and to secure this potential for the future. Because, in the end, it was the motivated and loyal employees who took up the reins and did what was necessary. This shows how important it is to continue investing into the professional development and support of the staff, in addition to the continued and consistent pursuit of digitalisation. Staff development – also in light of the coming wave of retirements – is mandatory and by no means just nice to have

FIRST FULL YEAR LIVE WITH THE NEW BUDGET LAW

the cI Ose OF 2020 mARKs tHe FiRst FULl yeAR
since ADj Ust ment OF tHe mUniciPAI bUDget l Aw.

Despite a lot of preliminary work – such as the initial assessment of municipal assets – already having been completed in the cities and municipalities before 2020 in connection with the adjustment of the Budgeting and Accounts Ordinance, the past year was the first year of VRV 2015 live operation. In this first year, the cities and municipalities were able to gain a lot of new experience, but we as KDZ were also introduced to some new aspects associated with the adjustment of budget law which we prepared for presentation to our customers.

how did KDZ provide support to the federal government, the Provinces, the cities and municipalities last year?

In 2020, KDZ supported numerous municipalities throughout Austria in preparing an opening balance sheet. This way, it was possible to resolve open questions during preparation, provide helpful tips to cities and municipalities and successfully address many new topics. In connection with opening balance sheet preparation, the VRV 2015 tools supplied by KDZ also provided the municipalities with valuable support. For instance, the asset valuer was used by many municipalities for the valuation of employee provisions (severance payment provisions, provisions for anniversary bonuses, provisions for unused holidays). In addition, KDZ aided many municipalities in the preparation of the 2021 budget. At the same time, the bookkeeping and accounting manual (oBHBH) went online and now serves as a compact source of reference, offering assistance for many issues. KDZ regularly updates and expands the account assignment guide for Provinces and municipalities.

how will KDZ support its customers in the coming year?

In 2021, the Provinces, cities and municipalities will prepare the first financial statements in accordance with the provisions of the VRV 2015. In this context, KDZ will again provide advice and support to the Länder, cities and municipalities throughout Austria. We will also continue to offer our many VRV-2015-related seminars and webinars.

In addition, the new KDZ Quick Test tool, which has been adapted to the VRV 2015, will be available to cities and municipalities in 2021 to assess the financial condition of their own municipality.



LOOKING AHEAD WITH CONFIDENCE!

2020 wAs nOt An eAsy yeAR – A bOt tOm l ine
echOed by AUst RiA's cit ies AnD mUniciPAI it ies.

Often, that statement is succeeded by the quiet and cautiously pronounced aside: “2021 and the following years will also be challenging”.

According to the latest forecasts, this cautiously worded line holds true: The Covid pandemic will not leave Austria's cities and municipalities unscathed, that would be “denying reality” to put it mildly.

Yet, falling into doom and gloom is uncalled for. This year in particular has shown us what can be achieved when we pull together constructively, acting as one. Much has already been achieved – but more still needs to be achieved in order to successfully manoeuvre through the crisis.

In this respect, all actors in the federal system will continue to be required to make their contribution in the future. The federal and Provinces

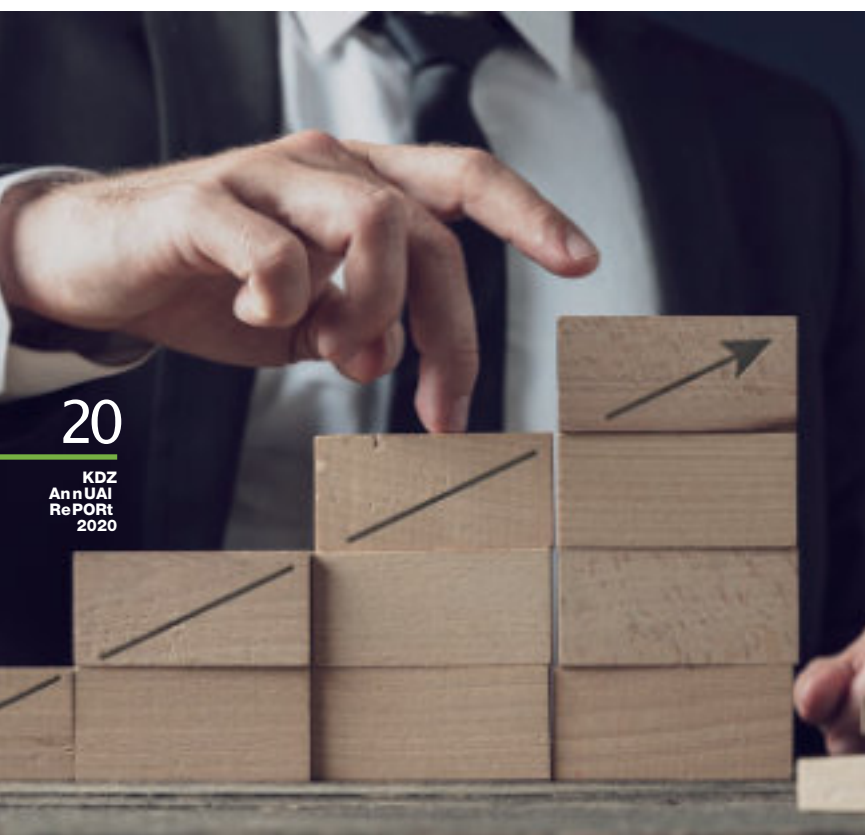
governments through financial injections that at least partially compensate for the shortfalls in operational performance – which are a condition sine qua non – and cities and municipalities by meticulously evaluating their options and focusing on their core tasks.

This means a stronger focus on the financial potentials in the accounts. We advocate pursuing two strategies: First, the immediate ability to act must be ensured. This means identifying short-to medium-term potentials in expenditure and income, both in current operations and in investments. After calculating the needed shortfall, we provide support either in the form of detailed analyses and benchmarks, or work with selected consolidation teams to be able to realise the necessary amounts.

The second cornerstone of the strategy is implementation of a risk management system or an internal control system, so that a standardised system of checks and balances ensures that resources are used correctly and in a strategically placed manner.

This also means, for example, using the newly created instruments of the VRV 2015. If the depreciation-based refinancing needs are known, they must also be considered in financial planning – the planning precision of the budget instruments can thus become finer, the basis for decision-making better.

With every upheaval comes an opportunity – the rapid leap into digital working methods in recent months has taught us as much. Now it is important to understand the crisis as an opportunity for professionalisation in the area of financial management, too.





OUTLOOK 2021

heADing int O 2021 wit h cOnFiDence AnD sel F-AssURAnce

The year 2020 demanded a lot of flexibility in our work and in project management. Looking back at the year, what remains (see also the preceding narratives) are many positive experiences and learnings with new types of hybrid project settings. By this we mean in particular the expansion and supplementation of our previous forms of project work with new digital forms such as video meetings, online interviews, or collaboration in general using new digital tools.

With this wealth of experience in our pockets, we are now entering the new year with optimism, focusing in particular on the following thematic priorities:

- Supporting the federal government, the Provinces and especially the municipalities in the sustainable modernisation of their administrations and the implementation of new organisational concepts and models
- Supporting and accompanying the municipalities, in particular, when it comes to sustainably safeguarding the lessons learned from the Corona crisis. Keyword: improvement of organisational resilience in the face of crisis through budget consolidation, expansion and extension of cross-municipal cooperation (also administrative mergers), medium-term personnel planning (succession planning), establishment and expansion of internal control systems
- Supporting municipalities in the transition to and practice of the reform of budget law in the municipalities and Provinces (VRV), estimates, opening balances, financial statements
- Further development of municipal operations (organisation and management)
- Support to cities and municipalities for the development of innovative service designs (including digital services – especially in the area of citizen services)
- Guidance and support to municipalities in digital transformation (development of a digitalisation strategy, introduction of leadership concepts and process management to the new digital environment)
- Support and expansion of expert networks: citizen services, municipal yards, human resources management, apprenticeship training

from left to right
Bernhard Krabina
lena rücker
Philip Parzer
walter Giebhart
Thomas Prorok
marion seisenbacher
Nikola hochholdinger
alexandra schantl
dalilah Pichler
Bernadette Tropper-malz



eUROPe g OVeRn An URbAn POI



An ce & icity

UNIQUE INITIATIVE

when city FinAnce DiRect ORs j Oin FORces...

... a European network of cities is created, whose goal is an administration of a different kind – an administration that is committed to quality, innovation, sustainability and intergenerational equity of public finances and stands as a guarantor for Europe's competitiveness, its social policy and thus ultimately for the well-being of its citizens.

In June 2020, the European Cities for Sustainable Public Finances (CSPF) group was founded by the cities of **Amsterdam (NL)**, **Bordeaux (FR)**, **Barcelona (ES)**, **Hamburg (DE)**, **the City of London (UK)** and **Trondheim (NO)**. CSPF is a unique initiative in Europe and of great importance in times of Covid-19, addressing economic, fiscal and financial issues in a cross-border perspective at city level.

Twice a year, the finance and administration directors of these cities meet in a trusting environment. KDZ provides them with content-related support in order to

- create a space for mutual learning at the local level, as well as to jointly address problems and their solutions,
- contribute to capacity development in financial and management issues of large cities and urban centres in a European context, and
- build a strong link to European policy development (e.g. EPSAS) and support it with proven and "strong" local experiences.

Recovery after COVID-19 figures on the 2020 and 2021 agenda, and from the cities' point of view, such recovery must necessarily be "climate neutral" and "digital". For this reason, the Sustainable Development Goals (SDGs) and topics of the UN Agenda 2030 – SDG 11 (Sustainable cities and communities), SDG 13 (Climate action), SDG 7 (Affordable and clean energy) – as well as "digital finance" (artificial intelligence and datafication in relation to financial management and open government data) are at the centre of the network activities.

CSPF (www.cspf.eu) gets support from Eurostat through active participation and cooperation with the European Commission, and KDZ is proud to support this group of innovative cities.



RESILIENT CITIES AFTER CORONA

stAt e OF UPheAVAI –
eVeRything DiFFeRent
FRom whAt wAs PI AnneD

Resilient societies are characterised not only by their robustness, but above all by their ability to react, act and adapt. In terms of extent, the pandemic hit cities and communities worldwide particularly hard. Accordingly, in 2020, European governance and urban policy also focused on the local-level impact of the COVID-19 crisis.

For example, together with the Network of Associations of Local Authorities of South-East Europe, NALAS, we conducted a survey and study¹ on the consequences of the COVID-19 crisis in South-East European cities and municipalities. The primary objective of the study was to assess the extent to which cities and municipalities were affected by the crisis and to identify efficient and innovative strategies for adaptation and reconstruction.

A dramatic picture emerged for South-East European municipalities: Without appropriate countermeasures, losses in revenue of more than 30 percent are anticipated by 2022. In addition to the precarious financial situation, it is above all the lack of legal competencies at the municipal level that make it difficult to adequately manage the crisis.

Consequently, the continuous strengthening of municipal autonomy is of central importance, especially in the former socialist countries. This is also supported by the recently published KDZ study² on decentralisation and local government reform in Georgia, Moldova and Ukraine. Political



**estimated total loss of municipal revenue
in south-east europe from 2020-2022**

Source: NALAS-KDZ SURVEY: COVID-19 SOCIAL AND ECONOMIC RECOVERY AT THE LOCAL LEVEL IN SOUTH-EAST EUROPE, 2020; NALAS calculations based on NALAS statistical brief: Local Government Finance Indicators in South-East Europe, 2nd edition.

instability, lack of commitment from central levels of government and, last but not least, the Corona crisis are hampering decentralisation efforts and municipal reforms in these countries.

Mastering the crisis in the best possible way and being resilient to the unforeseen in the future requires well-planned and targeted policies. Transparent processes are an essential prerequisite for this. A first milestone was achieved as part of our BACID project with the online platform “Observatory on local government finance and decentralisation reform in SEE”.

At all events, the results of the COVID-19 study show that due to the state of upheaval, a lot is happening (has happened) in a short time, many surprises included. The rapid transition to digital solutions in public administration in Austrian cities and municipalities as well as in SEE municipalities should be mentioned here.

¹SEE Local Governments in Post COVID-19 Socio-Economic Recovery; Download: <https://www.kdz.eu/en/knowledge/studies/see-local-governments-post-covid-19-socio-economic-recovery>

²PLATFORMA, NALAS, KDZ: DECENTRALISATION AND LOCAL PUBLIC ADMINISTRATION REFORM IN GEORGIA, MOLDOVA AND UKRAINE: LEARNING FROM THE PAST - PREPARING FOR THE FUTURE with the support of the national municipal associations of Moldova (CALM), Georgia (NALAG) and Ukraine (AUC).



KNOWLEDGE MANAGEMENT IN THE PUBLIC SECTOR

Not only did the year 2020 present the public sector with general challenges concerning the best possible handling of knowledge resources, but the COVID-19 crisis in particular illustrated how well knowledge management works, even when operating from home.

In line with this, KDZ implemented several online knowledge databases at the same time, with different focal points:

- **www.wissensmanagement.gv.at**
KDZ won a 2019 call for proposals from the BMKÖS (Federal Ministry for Arts, Culture, Civil Service and Sport). The platform, which deals with knowledge management in the public sector was launched in December. In addition to the theory and practice of knowledge management, the platform includes practical examples, a directory of experts and a knowledge management blog. The platform was implemented with the open-source technology Semantic Media Wiki.

- **www.caf-network.eu**
A similar approach is taken by an English-language platform that documents the use of the CAF quality management system by European

authorities. Learning from practical examples has long been a thematic focus of KDZ's work.

- Based on the positive experience with a platform for the implementation of the VRV 2015, we have now created a similarly structured **knowledge platform for the Styrian municipal code** on behalf of the Styrian Association of Cities and Towns. Member cities and towns can search the entire text of the law on this platform, including a display of amendments due to COVID legislation. The focus is on dealing with practical "questions from the field" arising from certain sections of the law and their preliminary or final answers.
- The **Vienna History Wiki (www.geschichtewiki.wien.gv.at)** has been updated and now features a research tool that can be used to search for knowledge on the history of the city, with related portals such as the Wienbibliothek im Rathaus (Vienna City Library in the Vienna City Hall) or the online collection of the Wien Museum being included as well.

All in all, this shows the importance of knowledge management, especially also via modern online platforms.

PERSPECTIVES 2021

Corona has made us painfully aware of how vulnerable and scarcely resilient our systems and societies are when it comes to responding adequately to shocks and stress scenarios. Accordingly, this year we will focus our work on the resilience of cities and municipalities. The OECD has defined four resilience dimensions for municipalities: economy, society, governance and environment. On closer examination, these dimensions are also reflected in the 2030 Agenda. With its 17 goals (SDGs), it could provide the framework needed to overcome this global crisis and lay the foundation for a better world.

With the **SDG Municipal Check for Investment Projects**, which we developed together with the Vienna Ecosocial Forum and the Institute for Environment, Peace and Development, we are providing Austrian cities and municipalities with a tool to make their future projects resilient and therefore fit for the future. Public financial management and open government data aligned with the SDGs will be at the centre of the activities of the **European Cities for Sustainable Public Finances (CSPF)**. Since last year, KDZ has served as host and moderator to this city network of European finance directors. Over time, the platform www.stadtregionen.at (city regions) will also be linked to the SDGs and expanded to include climate protection and vulnerability indicators at first.

In governance, the focus will continue to be on quality management with CAF. Plans are to position **KDZ as an international CAF centre**. The necessary steps will be taken in 2021. Thanks to our **BACID programme** (www.bacid.eu) we have already been able to implement 15 CAF initiatives in the Western Balkans. This is another reason why we will submit a follow-up project to ADA in order to sustainably secure the consistently positive results and to further develop our partnerships.

We are particularly pleased that with the help of BACID, we have been able to take our project

offenerhaushalt.at across borders. In 2021, the **Observatory on Local Government Finance and Decentralization Reform in South-East Europe** will make South-East European municipal finances accessible online for the first time.

Speaking of **Open Spending Austria**: Starting this year, we will also be able to have a look at the assets of municipalities. In future, starting with the 2020 financial statements, which should be available by the first quarter of 2021, the third component of the three-component budget can also be presented. In addition to the financing budget and the profit and loss budget, www.offenerhaushalt.at will now also visualise the asset budget. Similar to a balance sheet, the asset budget shows what assets a municipality has and what structures it is required to preserve and maintain.



Additionally, the new multi-year display allows simultaneous presentation of the development of all ten groups in one dashboard. (In the example, the payments in the financing budget of the city of Graz).





from left to right
marion seisenbacher
Peter Biwald
karoline mitterer
Nikola hochholdingner
dalilah Pichler
Clemens hödl

Public Finance And Federalism

CORONA-RELATED MUNICIPAL FINANCIAL CRISIS

RePeRcUssiOns OF A cRisis ANd tHe seARch FOR sOlUt iOns

The all-defining theme of 2020 was the Corona crisis. One particularly relevant consequence thereof for municipalities is the ensuing municipal financial crisis. Revenues collapsed, expenditure could not be cut in the short term, and the delta grew larger from month to month.

As a result, the municipalities experienced liquidity difficulties and a slump in municipal investments.

In 2020, KDZ's work in the area of "Municipal finances in the Corona crisis" was intense and very varied. From the very beginning, we drew attention to the consequences of the Corona crisis for municipal finances and proposed solutions to overcome the crisis.

The municipal financial forecast was at the heart of our work. We presented a first forecast as early as in May 2020 and updated it twice by December. In total, the municipalities (excluding Vienna) are expected to face a gap of EUR 2.5 billion in 2020 and 2021. These funds are not available to cover current expenditure or for investments. It is to be feared that the share of negative municipalities that are no longer able to cover their current expenditures by current revenues will rise to 60 percent by 2021.

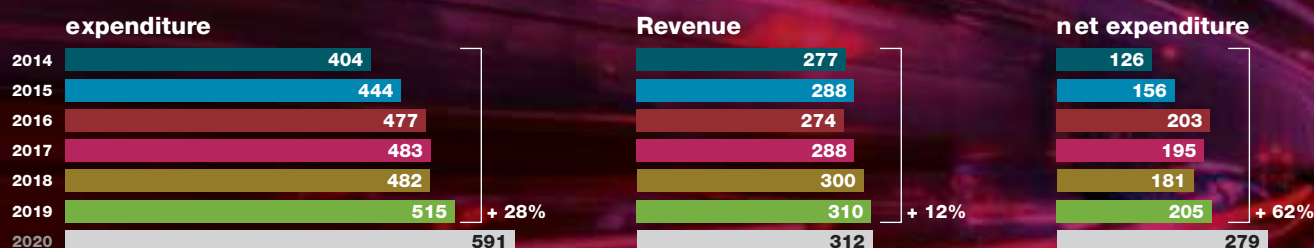
In addition to the current forecasts on overall economic development, our forecasts were based in particular on a constant exchange with cities and municipalities. In spring, for example, we conducted two surveys and a detailed analysis in nine select-

ed cities in order to be able to document the effects of the Corona crisis on municipal finances as directly as possible.

On our homepage, we continuously provided analyses and recommendations on the municipal finance crisis for the general public. In total, we authored seventeen contributions and held three joint press conferences with the Austrian Association of Cities and Towns. In a separate study, we made recommendations for the design of a municipal investment fund that is more strongly oriented towards the different needs of municipalities. At the end of 2020, we presented a comprehensive package of measures to tackle the municipal financial crisis.

**kdZ recommendations
for tackling the municipal
financial crisis**

	Federal GovernMeNT	ProviNCes	muNiCiPalities
liquidiTy = Ensuring services of general interest	<ul style="list-style-type: none"> * Compensation of revenue losses * Inclusion in support programmes 	<ul style="list-style-type: none"> * Relief prorated contributions * Assistance in hardship cases 	<ul style="list-style-type: none"> * Efficiency potentials * Consolidation
muNiCiPal iNvesTmeNTs = boosting the economyt	<ul style="list-style-type: none"> * Increase and extension of MIP * Inclusion in the European development plan 	<ul style="list-style-type: none"> * Strengthening MIP * Flexibilisation of debt * Monitoring 	<ul style="list-style-type: none"> * Debt * Reduction of reserves
Federalism	<ul style="list-style-type: none"> * Joint search for solutions and path until 2024 * Medium-term reforms (municipal structural reform, fiscal equalisation, levies, reforms in areas of responsibility etc.) 		



Development 2014-2019 and forecast for 2020 (pre-c corona)

revenues, expenditures and net expenditures in the period 2014 to 2020 (euro)

Source: 2020 survey of Austrian Association of Cities and Towns members,

KDZ: own calculations, 2020.

PUBLIC TRANSPORT IN CITIES AND CITY REGIONS

**mAssive exPAnsiOn OF PUBliC tRAnSPORt
in cit ies AnD cit y RegiOns neeDeD**

In the steadily growing city regions, a well-developed public transport network and high-quality service are essential to ensure the functioning of the entire region and a high quality of life. Public transport forms the backbone for managing the diverse traffic flows and can make a significant contribution to meeting climate targets, especially in densely populated conurbations. Therefore, we must not forget to sustainably ensure the supply and financing of this basic infrastructure, especially in times of crisis. By continuously expanding the offer, the objective is to win back the passengers lost due to the pandemic and to gradually increase the modal split of public transport.

The Corona crisis has added to the difficulty of financing public transport, as passengers and thus revenues have plummeted. Based on an investment needs assessment in Austria's city regions¹ and a study on organisation, governance and financing in city regional public transport² in previous years, the cities' key financial indicators were collected for public transport for the fourth time in 2020 on behalf of the Austrian Association of Cities and Towns³. Once again, the results indicate that

the subsidy requirement for urban public transport is rising sharply, as expenditures have significantly outpaced revenues (see graph). In some cities, investment projects have already been stopped or postponed as a result of the current crisis. Great financial uncertainty also arises from the Clean Vehicle Directive (commitment to more "clean" vehicles), the 1-2-3 ticket and still uncertain funding and contributions from the federal and Provinces governments.

The available financial instruments are not sufficient to meet the objectives of the climate and energy strategy, especially in the cities⁴. The effects of the Corona crisis additionally threaten implementation of already planned projects and, as a consequence, the urgently needed expansion of public transport in the city regions. Therefore, further suitable financial instruments are needed – for instance taking the form of a city regional fund or municipal funding package. It is equally important to optimise the framework conditions for cooperation between the regional authorities in order to ensure the maintenance of infrastructure and necessary expansion in city regional public transport.

¹Hochholdinger/Mitterer/Seisenbacher: Bedarfserhebung ÖPNRV-Infrastruktur in Stadtregionen, 2018.

²Haindl/Hochholdinger/Mitterer/Schantl/Valenta: Stadtreionaler öffentlicher Verkehr – Organisation, Steuerung und Finanzierung im stadtreionalen öffentlichen Verkehr am Beispiel der Landeshauptstadt-Stadtregionen, 2016.

³Hochholdinger/Mitterer: Finanzierung des ÖPNV in österreichischen Städten – Zentrale Ergebnisse der ÖPNV-Erhebung 2020, 2020.

⁴Vgl. auch Hochholdinger/Mitterer/Seisenbacher: Bedarfserhebung ÖPNRV-Infrastruktur in Stadtregionen, 2018.

THE PERENNIAL ISSUE OF FISCAL EQUALISATION

ReFORM OF t he FiscAl eqUAl isAt iOn syst em

Even though the Corona crisis seemsto have hit the stop button on fiscal equalisation, the need for fiscal equalisation reform remains as relevant as ever. In 2020, we were able to complete three exciting studies on fiscal equalisation.

The first study dealt with fiscal equalisation reform.⁵ The many failed reform efforts in fiscal equalisation beg the question why these reforms are not making any headway. Therefore, we focused not only on the content component of the need for reform, but also on the underlying processes and structures, i.e. governance.

no fiscal equalisation reform without reform of federalism

- Step-by-step in individual areas of responsibility
- Municipalities as equal partners

improving multi-level governance

- Partnership-based interaction
- Optimising the reform process (basic consensus, negotiation design and management, network, confidence-building measures)

content conception of the fiscal equalisation system

- Task orientation
- Sub-national tax autonomy
- Transfer adjustment

recommendations for action on fiscal equalisation reform

Source: KDZ

We also spoke with many political and administrative representatives concerned with the fiscal equalisation negotiations and asked what would have to be changed in order for fiscal equalisation reform to move forward. An important finding was that a reform in a series of smaller steps is needed instead of in one fell swoop and that partnership-based interaction between all negotiating partners – i.e. the federal government, the Provinces and the municipalities – must be strengthened. What is needed additionally is reforms to the reform process, such as a basic consensus, improved negotiation design and management, stronger network thinking and confidence-building measures.

Two other studies focused on the Upper Austrian transfer system between the Land and the municipalities. One study contains an evaluation of the newly established award guidelines for municipal funding allocations in Upper Austria.⁶ The strengths and weaknesses of the new provisions – also from the point of view of practitioners from the cities – were highlighted and recommendations for further development made. Another study concluded that the financial needs in connection with central localities as part of the existing transfer system in Upper Austria are not sufficiently considered.⁷

In any case, the issue of fiscal equalisation will remain relevant in the coming years, also with a view to achieving more resilient municipal finances. Important reform topics such as the disentangling of transfers, task orientation or property tax reform may gain new relevance in the course of the Corona crisis.

⁵Bauer/Mitterer/Pichler: Option einer governance-orientierten Reform des Finanzausgleichs, 2020.

⁶Mitterer/Seisenbacher: „Gemeindefinanzierung neu“ aus Städtensicht, 2020.

⁷Hochholdinger/Mitterer/Seisenbacher: Zentralörtliche Funktion in ÖÖ Städten und deren Abgeltung im Transfersystem, 2020.



OUTLOOK 2021

2021 will be a challenging year for municipal finances, but also for the financing of public services in general. Since a further escalation of the municipal financial crisis is to be expected for 2021, solutions to overcome the crisis are continuing to gain in importance. We are firmly convinced that this crisis can only be overcome through a joint effort by federal government, Provinces and municipalities. With that in mind, we will try to provide support with our expertise at all three levels.

The Corona crisis brought the lack of resilience in public finances and especially in municipal finances into stark relief. To achieve sustainable municipal finances in the medium term, adjustments of the fiscal equalisation system will be necessary. Examples are the property tax reform or the disentangling of transfers. Fee checks and a new edition of the guide to fee calculation are to contribute to securing this crucial source of municipal income.

The financing and governance of services of general interest as well as of services in the areas of education (100 pilot schools in accordance with the government programme), nursing (nursing task force) and public transport (especially the

1-2-3 ticket, Clean Vehicle Directive) should also be considered in the light of the Corona crisis. Another focus of our work will be the implementation of climate protection measures at the municipal level; with a special focus on governance structures.

In autumn 2021, the municipal financial data of Statistics Austria will become available structured according to the logic of the VRV 2015. As a result, our previous analyses will need to be newly created from the ground up.

Overall, we therefore anticipate 2021 to become an intensive year.

WORK PRIORITIES 2021:

- **tackling the corona-related municipal financial crisis.**
- **Resilient municipal finances and fiscal equalisation**
- **Further development of fee financing**
- **Financing and governance of services of general interest and in the areas of education, nursing and public transport**
- **governance structures for the implementation of climate protection measures in city regions**
- **conversion of municipal financial analyses and online platforms to the new budget law**

from left to right

Philip Parzer
anna schubert
martina henickl
eva wiesinger,
lieselotte henning
walter Giebhart
siegfried Fritz
elisabeth apl



t RAining



WELCOME TO DIGI(TALY)!

POst-c OROnA KDZ t RAining

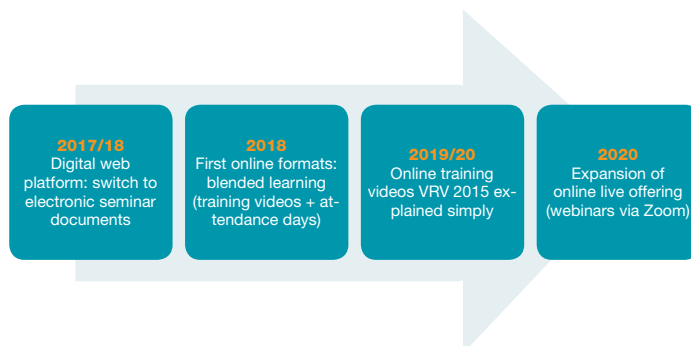
The Corona crisis with all its effects continues to hold us firmly in its grasp. But it has also clearly shown us how comfortable we feel in our good old analogue world and how entrenched in it we are. For the world of training, these developments were tantamount to a complete temporary standstill in 2020, because as of mid-March, all face-to-face events were suspended. A new solution had to be found quickly. Many training institutes were forced to digitalise their offerings on very short notice, literally overnight.

The KDZ also accomplished the transition from analogue to digital swiftly and impressively. When we set off on our journey to the unknown land of “Digitaly” at the end of March, none of us

be upended and redesigned. On 16 April 2020, we were ready to start, and the first KDZ live webinar with nine participants went live via Zoom. The feedback from the participants was very gratifying and frankly astonished us. We were able to see for ourselves how well online seminars work and how easy and uncomplicated it is to pass on our expertise digitally. This spurred us on even more. In a nutshell, we organised an internal training session to practise appropriate methods and useful didactics and to incorporate them into our webinars. Everyone appreciated it and we were able to learn a lot together. And best of all, it was fun!

However, in recent years, the KDZ training team had already begun to prepare the ground and mark the path to the digital age.

The Covid-19 crisis has certainly enormously accelerated this journey. Acceptance of webinars & online seminars skyrocketed. While in spring, during the first lockdown phase, we were compelled to cancel 44% of our online offers, we were able to successfully implement 94% of the online offers by autumn. Today, we are proud of our training achievements and digital developments in this difficult pandemic year. We are also grateful for the loyalty of our training customers who have embraced our live webinars in such large numbers. We look forward to the further expansion of our digital offer, and it goes without saying that we will continue to work for you in person on site!



really knew where the chosen route would take us. The only thing we knew was that we had to set off as quickly as possible in order not to lose out. No sooner said than done! And so, we in the seminar team pooled all our resources and rolled up our sleeves. We navigated part of the way through dense fog and operated by line of sight before spotting a gleam of light on the horizon of “Digitaly”. In a matter of just a few days, we succeeded in launching a digital seminar programme and began to offer our face-to-face seminars as live webinars, with a particular focus on VRV 2015. In the process, we had to turn everything upside down, from technology to methodology and presentation. Many tried and tested things had to

“

“t he corona crisis led to an acceleration in the adoption of online learning formats.”

LEGAL UPDATES FOR (NON-)LAWYERS

consistency in
times **OF** ch**Ang**e

Interested readers have to look back 35 years into our history to re-experience the beginning of the training activities of KDZ – Centre for Public Administration Research, then called the Research and Documentation Centre for Municipalities. At that time, in the mid-1980s, KDZ held ten seminars a year. A great deal has happened in this field since that time. Not only has the number of seminars and training events increased over the years to the present level of more than 200, but the range of content and the variety of topics have also been expanded and different settings established. In recent years, societal changes, especially digitalisation and the Corona pandemic in 2020, have caused major and rapid upheavals.

However, in a year in which everything seemed to change without warning, there were also things that remained constant. One of them was our basic philosophy of delivering to the administrative unit staff the training opportunities that remained in strong demand despite the crisis. Particularly in the area of law, the demand for training remained unbroken. The preparation, presentation and communication of complex legal matters for non-lawyers has become a central component of KDZ's training programme in recent years.

The many fully booked seminars and webinars, the additional dates and the abundance of positive feedback from participants and lecturers alike impressively confirm the strong standing of the legal seminars. In 2020, we were able to offer a wide range of special legal seminars despite the Corona crisis. This being so, public procurement law, liability issues, spatial planning, construction technology, service law, service of process law, event law,



GDPR and many other legal areas were key topics in our programme.

Additionally, we have succeeded in entering into new cooperation partnerships in the legal field with proven experts in public administration and administrative courts. Despite some long-standing and knowledgeable lecturers having announced their withdrawal this year, with some already having bid their farewells, the acquisition of exciting new experts as lecturers promises an optimistic outlook for the future ahead.

We would like to take this opportunity to thank all our knowledge-hungry participants, our long-standing and new lecturers, and the KDZ seminar team. We look forward to offering you a comprehensive range of legal seminars again in 2021.

THE ONLINE WORKSHOP

mAKing A (sUccessFUL) ViRtUe OUT OF necessity ...

In spring 2020, we planned to establish a new network specifically for HR managers in cities and municipalities – in addition to our existing networks (see Annual Report 2019). But while our planning was still in progress, the first lockdown rendered these plans obsolete overnight. Making a virtue out of necessity, we took swift action and launched a new and ultimately very successful online workshop.

With staff from ten cities and municipalities in Austria, six very exciting virtual workshops have since taken place. The first two workshops focused on many current practical everyday issues that municipalities face as employers: For example, on issues related to **working from home** (What infrastructure is provided by the employer? How does staff leadership work when employees do their jobs from home? How is time recording done and how can performance be ensured?) or questions of **service law** regarding the Corona-related changes in service operations (e.g. working time regulations, paid leave for risk groups but also the unclear practice on the obligation to use holiday entitlement).

In the third workshop, the common focus was on **recruitment** issues in the first lockdown. Due to curfew restrictions and closed town halls, face-to-face interviews in municipal offices were suddenly no longer possible. This being so, participants put their heads together to discuss experiences with video application/interviewing, what tools were being used for this, how the applicants were reacting to the new format.

The fourth workshop focused on questions of **digital literacy**, and the fifth focused on the topic of **turning employees into brand ambassadors** as part of **employer branding**. The temporarily final workshop took place at the end of January 2021. Its focus was on the now heavily hyped topic of

corporate purpose as an element of human resources and organisational development.

The participants experienced the workshops as a very open and trusting space for competent knowledge sharing. Yet, as exciting and low threshold as the virtual discourse was, the personal conversations on the sidelines, getting to know colleagues as “people” could not be replaced by virtual meetings. That is why the workshop group is already looking forward to personal, face-to-face exchanges in 2021.



“

employees are passionate about meaningful work; they want to do good. goal orientation, commitment and job satisfaction will then fall into place (practically) of their own accord. For the organisation, this means making the corporate purpose visible and tangible for everyone as the common and shared purpose of existence, the “reason why”.

DANIELA BRANDENBERGER,
MUNICIPAL DEPARTMENT OF THE CITY OF LINZ



KDZ TRAINING 2021+

THE BEST OF TWO WORLDS:
ANALOGUE ON SITE & DIGITAL ON THE WEB

We look back on a turbulent year of training full of new experiences and emerge from the crisis strengthened and equipped with a clear focus on a year of training in 2021 with many innovative and new online offerings to complement the tried and tested KDZ specialist seminars in face-to-face format.

In the first half of the year, the offerings will be dominated by a wide range of topics in live webinars & online seminars. As the year turns, we will also be ringing in another central training focus on the implementation of the VRV 2015: The financial statement, as the central calculation tool, must be completed by the end of March 2021. Our spring programme offers numerous training opportunities on this topic.

With a practice-oriented KDZ course and numerous KDZ practice forums, we want to do justice to networked knowledge acquisition and promote

targeted learning from and with each other. Current topics are tailored for daily work practice with the specific target audience in mind and are worked on jointly as well as interactively. In addition, there will be sufficient space for networking and exchanging experiences to share and pass on knowledge in a learning-

friendly atmosphere. Topic-related on-site excursions will additionally enrich know-how transfer.

We look forward to an innovative, inspiring and successful training year in 2021, together with all our customers and everyone interested in training!

OUR mAny yeARs OF exPeRience – yOUR ADVAntAges:

inDiViDUAL cUstOmeR cARe: Our seminar customers come first, be it on the phone, by e-mail or directly in person at the seminar on site!

PRActice-ORient eD: Our training events are based on expert knowledge and combined with proven practical approaches and modern didactics!

e-DOcUment PIAt FORM: Seminar documents and various learning materials are available electronically and online – only for registered users – on our website!!

cUstOmeR in-hOUse seminARs: We respond to your wishes and work with you to plan a training programme that is tailored for your organisation and staff!

lOyAlty PAYS OFF: We offer discounted rates to our members and regular customers!

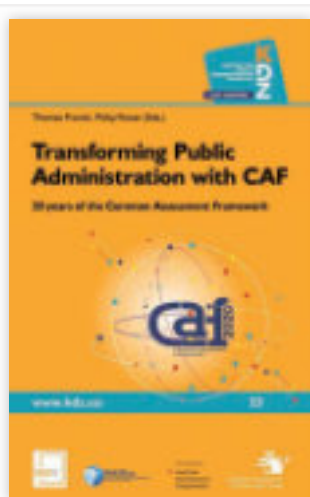
the cAF cent Re gOes int eRnAt iOnAl

in 2020, cAF cel ebRAt eD it s 20th AnnIvERsARy.

To mark this occasion, we have presented the CAF community the book “Transforming Public Administration with CAF”. It illustrates how CAF helps public administrations to continuously evolve and proactively prepare for future challenges.

CAF is the European guide to quality and governance in public administration. The KDZ is the first point of contact for all questions regarding the Common Assessment Framework (CAF) and acts as the CAF Centre nominated by the Federal Ministry of Arts, Culture, Public Service and Sport. Both in Austria and internationally, KDZ's CAF Centre celebrated great successes in 2020. With the publication of the world's first CAF book, we have

set a milestone in the development of the Common Assessment Framework.



In it, renowned experts present their practical experiences on the impact of the CAF:

- Better communication in town halls
- Supporting entrepreneurs
- Developing traditional governance structures
- Strengthening state institutions
- Shaping change processes positively
- Embedding the UN Sustainable Development Goals in public administrations
- Improving the well-being of employees
- Joint cross-organisational learning
- Focusing on social responsibility
- Keeping an eye on public value

However, the book can also be read as a textbook on the CAF. The KDZ experts have compiled the collected knowledge about CAF in Europe into this work.

- CAF 2020: An important contribution to administrative reform and European integration
- Guidelines and success factors for CAF implementation
- Differences between the quality management systems EFQM/ISO 9001 and CAF
- CAF in Europe: How CAF works at the national and European levels

Another article deals with the “future of CAF” and formulates eleven ideas for the further development of this instrument to strengthen quality and governance in public administration.

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KDZ
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Report
2020

your cAF-team



Thomas
Prorok



Philip
Parzer



Bernadette
Tropper-malz



robert
Blöschl



walter
Giebhart



alexandra
schantl



290

ORGANISATIONS in the PUBLIC sector AND NPOs in AUSTRIA Use CAF

12

CAF PROJECTS 2020

17

ORGANISATIONS in AUSTRIA have been AWARDED CAF CERTIFICATION

4,160

ORGANISATIONS in the PUBLIC sector in EUROPE ARE REGISTERED AS CAF Users

OUR Activities in 2020

Due to Corona, 2020 was also a challenging year for CAF activities. We focused on the potential of digitalisation at an early stage and were therefore able to lay out clear priorities for CAF in Austria as well as internationally.

CAF 2020

The German-language issue of the CAF-2020 guide was published on 14 October 2020 and was officially presented as part of the quality dialogue event. The new CAF 2020 translates current management challenges such as digitalisation, innovation, agility, sustainability, diversity and collaboration into concrete recommendations for action for public administrations.

CAF Online

CAF Online is the digital assistant for organisational self-assessment. It underwent a complete relaunch in 2020. A restructured, multilingual website, video tutorials, an interactive glossary, responsive design and individual adjustments to the CAF assessment grid are just some of the new features that make CAF Online even more user-friendly.

Digital Knowledge Platform CAF

www.caf-network.eu is a comprehensive knowledge platform on CAF. National and international projects, best practices, CAF contacts, CAF documents and much more are available on one page.

CAF communal

CAF drives impact in cities and municipalities. Together with the Community Management Academy of Lower Austria and four pilot municipalities, we developed the "CAF Communal" assessment questionnaire.

CAF implementations

CAF was implemented successfully in a total of 12 projects in Austria and on the international level.

western balkans Regional quality centre

The Regional Quality Centre for the Western Balkans was established in a joint endeavour between the CAF Centre of KDZ and the Regional School of Public Administration (ReSPA). This prepared the ground for further CAF roll-outs in the countries of the Western Balkans.

international CAF network

KDZ's international network has been further expanded through cooperation and conferences. Specific activities took place with partners in Egypt, Australia, Bosnia and Herzegovina, the Russian Federation, Ukraine and UNDESA (United Nations Department of Economic and Social Affairs). We facilitated CAF stakeholder meetings with the European Commission and the OECD.

cross-border CAF webinars

CAF trainings were conducted online in 2020. In addition to the training sessions in Austria, we conducted first transnational CAF training for Austrian and German participants in cooperation with the German Federal Ministry of the Interior, Building and Community and the Communal Joint Office for Administrative Management (Kommunale Gemeinschaftsstelle, KGSt).

www.caf-zentrum.at – www.caf-centre.eu

The CAF Centre website was relaunched, is now available in two languages and appears in a modern, social-media-friendly design.



BACID.eu

**BUILDING ADMINISTRATIVE CAPACITIES
IN THE DANUBE REGION**

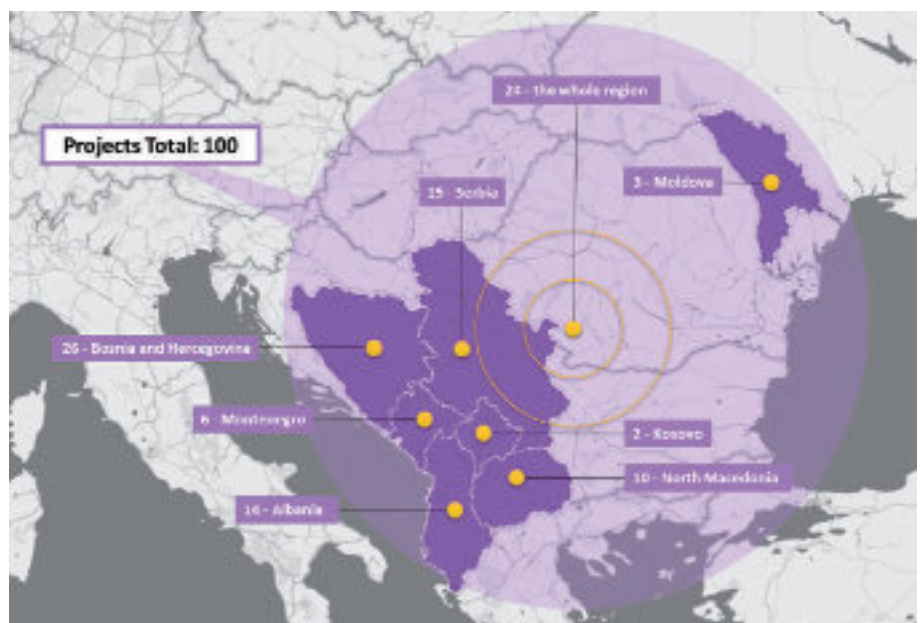
BACID is strengthening Governance and Public Administration Reform and supporting European Integration on local and regional level in the countries of Western Balkan and Moldova.

Since 2015 Bacid has implemented 100 projects to

- promote the Sustainable Development Goals in cities
- fortify local governments
- make public finances more transparent
- foster rule of law
- increase the quality of public services
- support the exchange with EU-institutions.

All projects are available on the website:

www.bacid.eu



members

institutions

Association for Waste Water Management Region Feldkirch
Association for Waste Water Management Schwechat
Working group of municipal directors, Lower Austria
BANK AUSTRIA
Federal Chamber of Labour
Erste Bank SparkassenAG
GBV – Austrian Federation of Limited-Profit Housing Associations
Krems Municipal Association (Gemeindeverband Krems)
Zwettl Municipal Association (Gemeindeverband Zwettl)
Federation of Austrian Industry
Carinthian Fire Fighter Association (Kärntner Landesfeuerwehrverband)
Community Management Academy of Lower Austria
Communal Joint Office for Administrative Management (KGSt)
Land Burgenland
Land Carinthia, Dpt. 3 – Municipalities
Land Styria – Dpt. 17 Land and regional development
Land Salzburg – Economy, Tourism and Municipalities Department
Land Vorarlberg – Dpt. Financial issues and auditing
Vorarlberg Court of Audit
Association of Social Service Support Bruck – Kapfenberg
Association of Social Service Support Ennstal
Association of Social Service Support Leoben
Upper Austrian Court of Audit
Association of Austrian Cities and Towns
Raiffeisenbank Burgenland und Revisionsverband eGen
Regionalplanungsgemeinschaft Großes Walsertal
Salzburg Court of Audit
Tyrol Court of Audit
Association of Social Democratic Municipal Representatives, Lower Austria
Vorarlberg Association of Municipalities (Vorarlberger Gemeindeverband)
Vienna Insurance Group

the President's Office

Matthias Stadler, Mayor of St. Pölten (President)
Stefan Schmuckenschlager, Mayor of Klosterneuburg (Vice President)

members of the Managing Board

Wolfgang Figl, UniCredit Bank Austria AG
Angelika Flatz, CEO Wiener Wohnen Kundenservice GmbH, City of Vienna
(Former: Ministry of Arts, Culture, Civil Service and Sports)
Klaus Luger, Mayor of Linz
Martin Pospischill, Municipal Department of the City of Vienna
Matthias Tschirf, Federal Ministry for Digital and Economic Affairs
Thomas Weninger, Association of Austrian Cities and Towns

“
we were able to gain
eight new members, even
in this year of crisis.
Thank you for your
confidence in our work.

THOMAS PROROK
DEPUTY MANAGING DIRECTOR



253

cities And
municipalities

Find more information about our
members and KDZ membership:
www.kdz.eu/en/kdz/membership

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KDZ
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we PRomOt e t he shARing OF KnOwleDge As An essent iAl el ement OF cOOPeRAt iOn

ADA – Austrian Development Agency

cAF – experts group

cemR – council of european municipalities and Regions

cooperation OgD Austria

eIPA – european institute of Public Administration

council of europe – centre of expertise for l ocal g overnment Reform

management Forum for innovative Public service

Foster europe

iFiP – Department of Public Finance and infrastructure Policy of t U wien

Kgst – c ommunal j oint Office for Administrative management

KmA – Knowledge management Austria

nAl As – network of Associations of l ocal Authorities of south east europe

PA 10 – eU strategy for the Danube Region of the c ity of Vienna

Platforma

semantic media wiki

ResPA – Regional school of Public Administration

wiFO – Austrian institute for economic Research

boARd OF t RUst ees

elisabethalBer euraC research, Bolzano

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OFFENERHAUSHALT.AT

new Design, new DATa, new VisUAL isAt iOns

KDZ has operated the transparency platform Offenerhaushalt.at since 2013. Close to 25,000 data sets on municipal budgets from over 1,180 participating municipalities are published there as well as interactively visualised.

The introduction of the new budget law starting 1 January 2020 also entailed a change to the website. The new, revised and further developed platform went online in December 2019, so that the activated municipalities were able to upload their budgets for 2020 in due time, in the new format according to the VRV 2015. The relaunch brought first-time visualisation of the profit and loss budget and the financing budget as well as presentation of the new budget structure to interested citizens: Key figures of the three-component budget are displayed directly on the municipal page:

While the financing budget continues the previous accounting approach to the cash flows visually using the tried-and-tested tile presentation ("treemap"), the profit and loss budget with its income and expenses is now visualised as a column chart. Expenses and income, as well as their balance (result) are thus displayed at a glance for all ten groups.

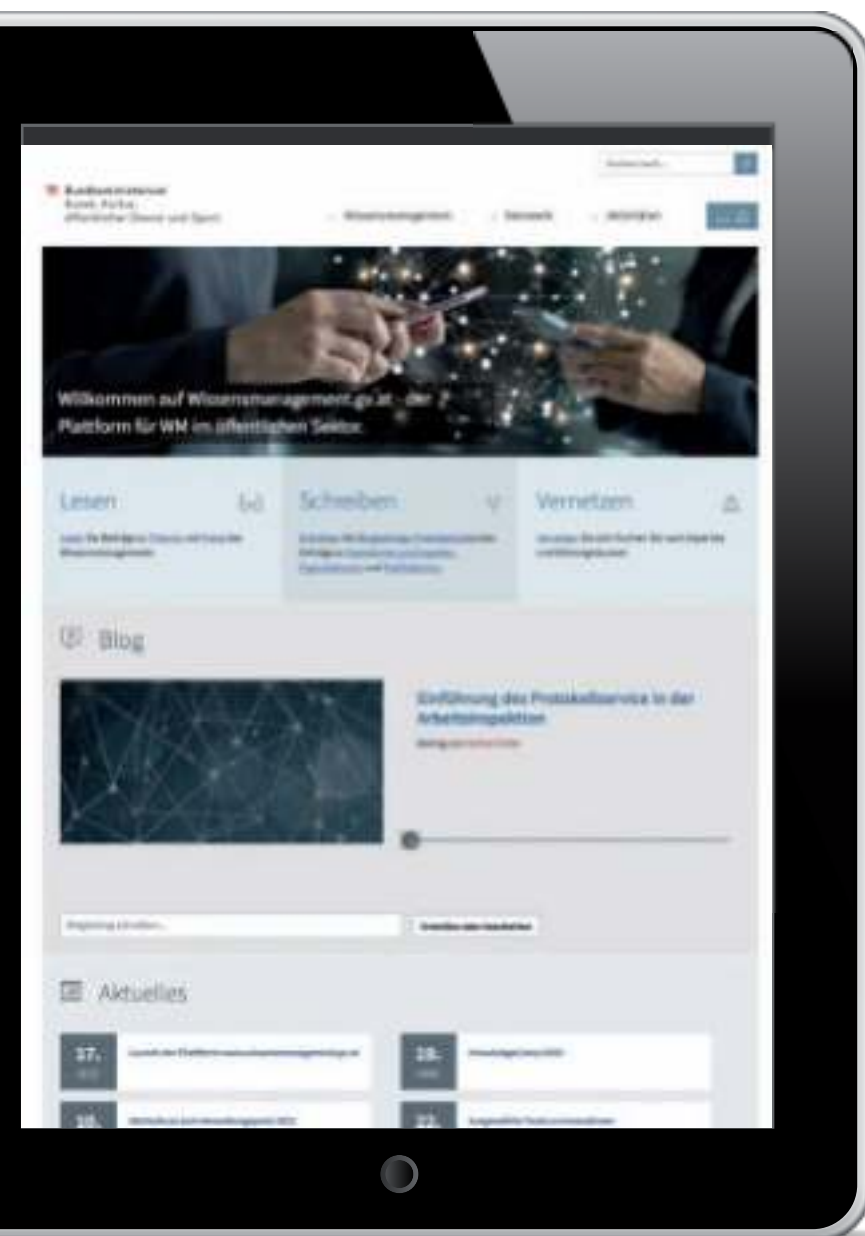
The asset budget cannot be implemented before 2021, as it requires availability of the 2020 financial statement data, which can be supplied by the municipalities starting in the first quarter of 2021 at the earliest. The financial statements data, structured according to the provisions of VRV 2015, for the first time, will also form the basis for further visualisations, such as the new KDZ Quick Test.



The special visualisations such as the subsidy checker or the digital subsidy and transfer report were also revised and implemented on the new platform.

Source: <https://www.offenerhaushalt.at/gemeinde/eisenstadt>

INNOVATIONS



new KDZ PI At FORM FOR KnOWl eDge mAnAge ment in t he FeDeRAI gOVeRnment, PROVINces AnD mUnicIPA l it ies

In 2020, the Federal Ministry of Arts, Culture, Civil Service and Sport (BMKÖS) released the new KDZ platform for knowledge management in federal, Provinces and municipal governments.

The platform links theory and practice of knowledge management in the public sector.

The forging of knowledge management networks is facilitated among management practitioners and experts while current developments (news, events) are highlighted, based on a guideline, a toolbox and publications on knowledge management. A knowledge management blog supplies a more detailed description of currently relevant topics. All the contents of the platform can be viewed publicly at www.wissensmanagement.gv.at; user accounts are required for editing, which can be requested from the BMKÖS.

KDZ won the tender to put the platform into action and was permitted to implement this project with the open-source solution Semantic MediaWiki.

www.wissensmanagement.gv.at

Online bookkeeping And Accounting manual

In addition to the already familiar account assignment guide, the online bookkeeping and accounting manual (oBHBH for short) has been integrated on the platform for public accounting since August 2020. It aims to supply Austrian regional authorities with several chapters of basic explanations related to preparing financial statements and to offer support in their preparation according to VRV 2015 using practical examples



and checklists. The manual was produced by KDZ, the municipalities and Provinces as well as by the Federal Ministry of Finance and can be accessed free of charge.

For access, please contact post.obhbh@bmf.gv.at.



after clicking on a glossary term, a short explanation/definition of the term is displayed in a pop-up window.



CAF Online

“CAF Online” is the online tool developed by KDZ to efficiently conduct a CAF self-assessment. In 2020, the tool received a visual makeover and was extended by a new, extremely practical feature – the CAF Glossary. Participants in the self-assessment process now have access to additional explanations of the relevant terms on each assessment questionnaire page. If a participant is not sure about the meaning of a term in a specific context, the glossary can be consulted quickly and easily. This increases understanding of the task and leads to better results in the assessment process.

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Our professional magazine "Forum Public Management" covers key topics twice a year.





from left to right

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SELECTION OF PUBLICATIONS AND STUDIES

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Bauer, Helfried; Mitterer, Karoline; Pichler, Dalilah:
Option einer governance-orientierten Reform des Finanzausgleichs.
(Option of a governance-oriented reform of fiscal equalisation*)
Vienna, 2020.

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Vienna, 2020.

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see l ocal g overnments in Post c OViD-19 s ocio-economic Recovery.
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