

Deficit and indebtedness of local authorities. The Spanish case

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Consello de Contas de Galicia



Summary

- Local public sector in Spain.
 - Composition of the local public sector.
 - General evaluations.
 - Financial aspects of the local public sector in Spain
 - Decentralization of public spending.
 - Main expenditure lines.
 - Available financial resources.
 - Participation of the local public sector in deficit and indebtedness.

ESTADO

COMUNIDADES AUTONOMAS

PROVINCIAS

ISLAS

COMARCAS

AREAS METROPOLITANAS

MANCOMUNIDADES

MUNICIPIOS

ENTIDADES LOCALES MENORES

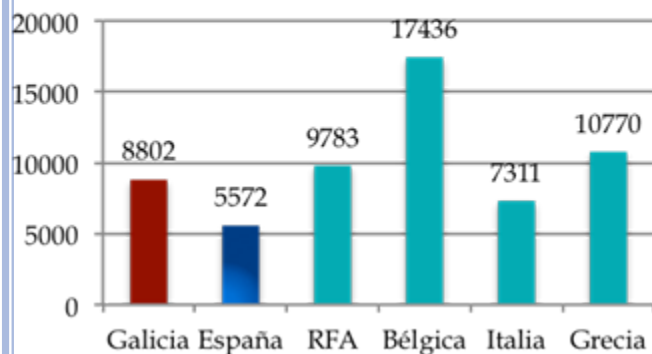
ENTIDADES LOCALES



Local public sector. Spain

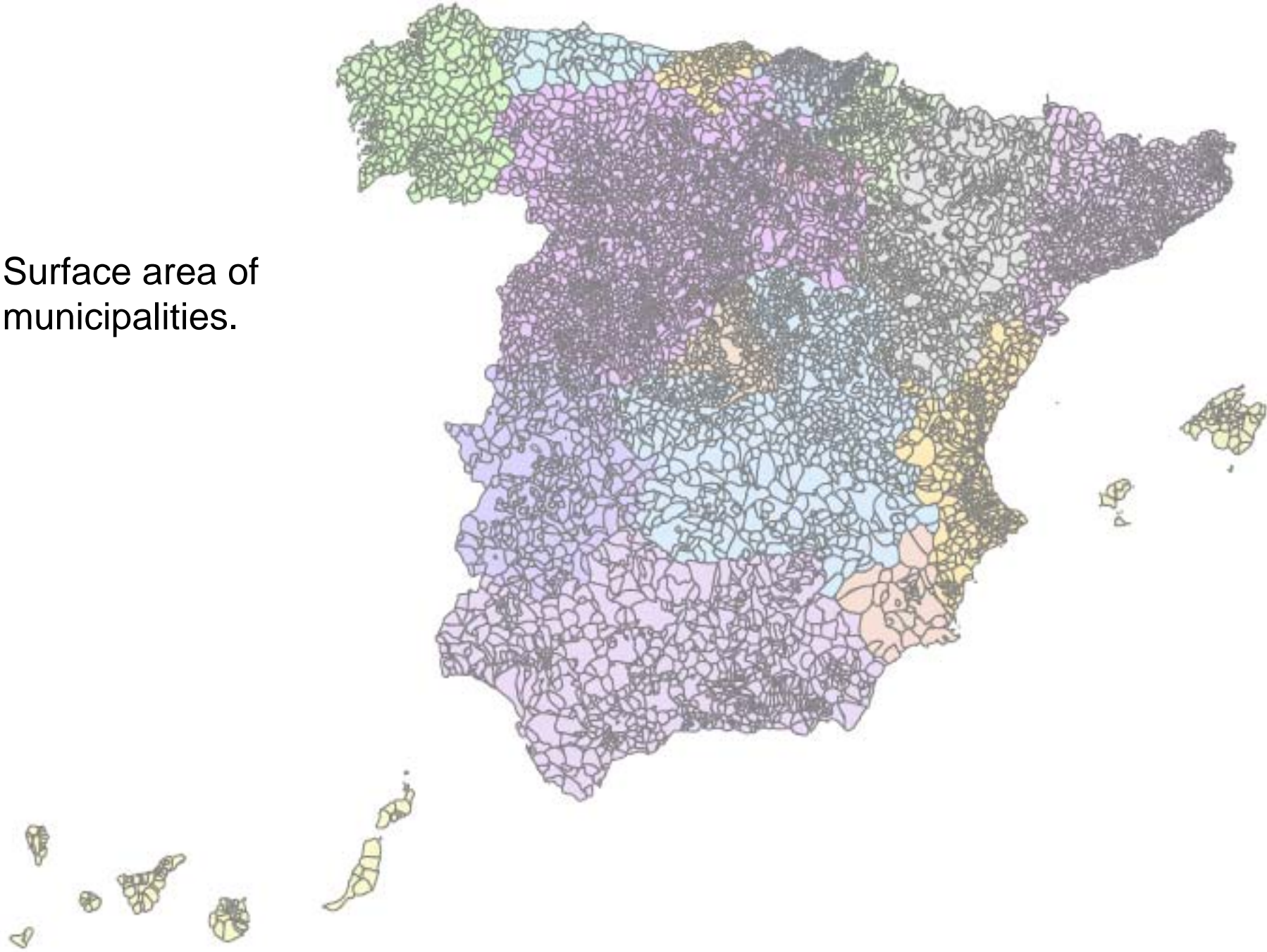
TIPOS DE ENTES	Nº
Municipios	8.112
Ciudades con Estatuto de Autonomía	2
Provincias de Régimen Común (*)	38
Provincias de Régimen Foral	3
Islas (**)	11
ENTIDADES LOCALES (artículos 137 y 141.4 CE)	8.166
Mancomunidades	1.015
Áreas metropolitanas	4
Comarcas	81
Agrupaciones de municipios	73
Entidades locales menores	3.720
ENTIDADES LOCALES (artículo 3.2 LRRL)	4.893
Organismos autónomos locales	1.751
Entidades públicas empresariales	31
Sociedades mercantiles locales (participadas íntegramente)	1.291
Sociedades mercantiles participadas mayoritariamente	280
Organismos autónomos, entidades públicas y sociedades	3.353

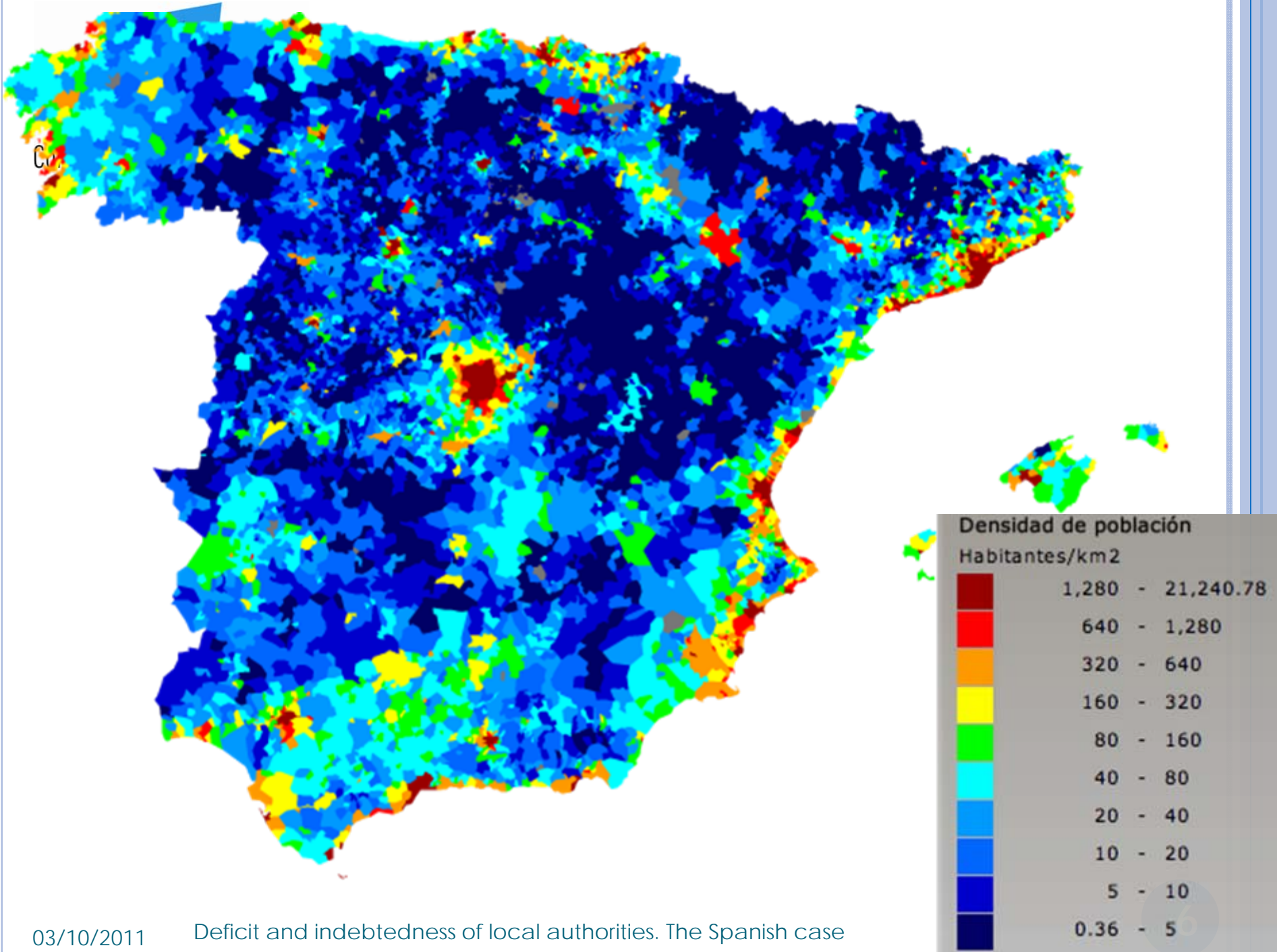
Media habitantes/ municipio



Estratos de población	Nº de municipios	%	Población 01/01/2009	%	Población 01/01/2008	Δ (%)
>1.000.000 hab.	2	0,02	4.877.481	10,43	4.829.179	1,00
De 500.001 a 1.000.000 hab.	4	0,05	2.760.036	5,90	2.739.535	0,75
De 100.001 a 500.000 hab.	56	0,69	11.035.190	23,61	10.832.927	1,87
De 50.001 a 100.000 hab.	81	1,00	5.701.979	12,20	5.699.427	0,04
De 20.001 a 50.000 hab.	249	3,07	7.312.406	15,64	6.997.338	4,50
De 5.001 a 20.000 hab.	910	11,22	8.879.796	19,00	8.855.578	0,27
≤ 5.000 hab.	6.810	83,93	6.026.785	12,89	6.055.001	-0,47
Total (excepto Ceuta y Melilla)	8.112	99,98	46.593.673	99,67	46.008.985	1,27
Ciudades con estatuto de Autonomía (Ceuta y Melilla)	2	0,02	152.134	0,33	148.837	2,22
TOTAL NACIONAL	8.114	100,00	46.745.807	100,00	46.157.822	1,27

Surface area of municipalities.







Local Public Sector in Spain

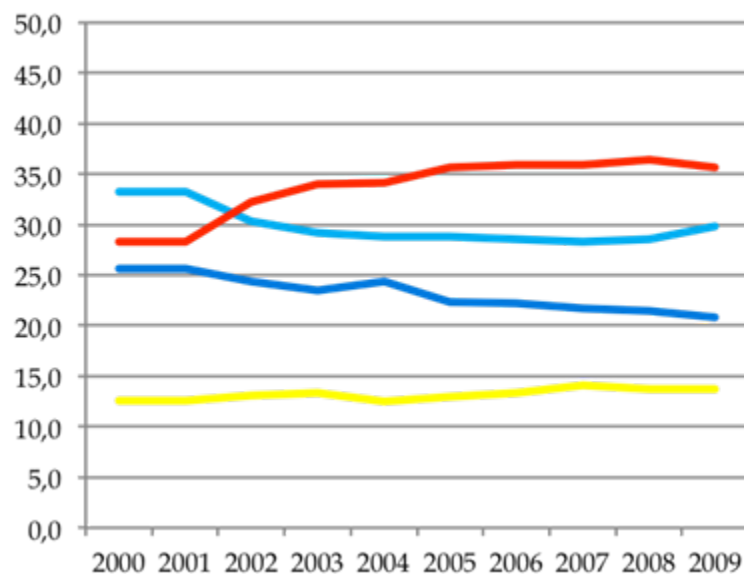
○ Characteristics:

- Great heterogeneity.
 - > 50,000 inhabitants 143 (1.76 % municipalities) 51.14 % population.
 - <5,000 inhabitants (83 % municipalities) 12 % population.
- Average size: 5572 inhabitants/municipality.
- Inequality in geographical distribution:
 - Smaller size in the central and northern area (Castile-La Mancha).
 - Bigger size in coastal areas. (Galicia 8,800 inhabitants/municipality)
- Tendency towards the creation of inter-municipal systems
 - Associations of local authorities, consortiums, etc.

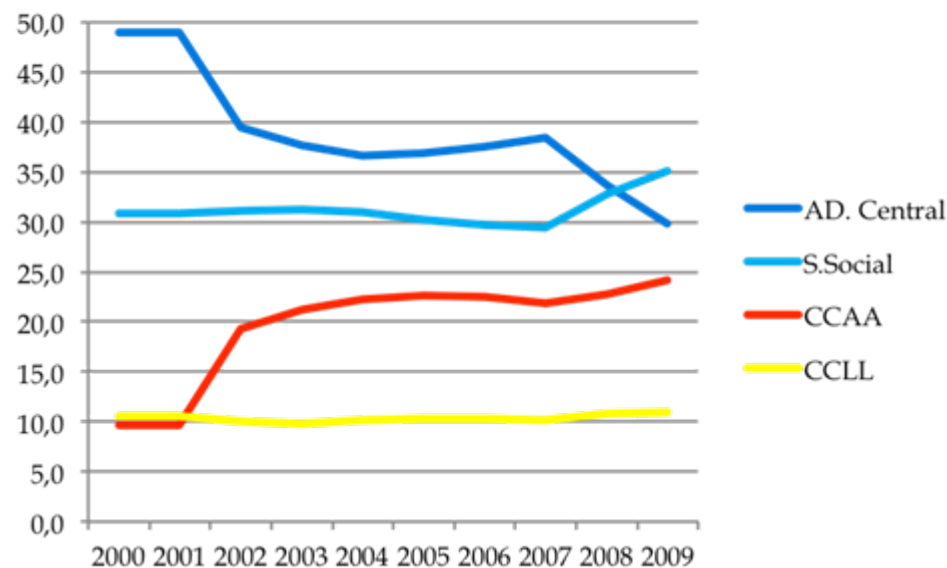


Decentralization

Descentralización gasto público %



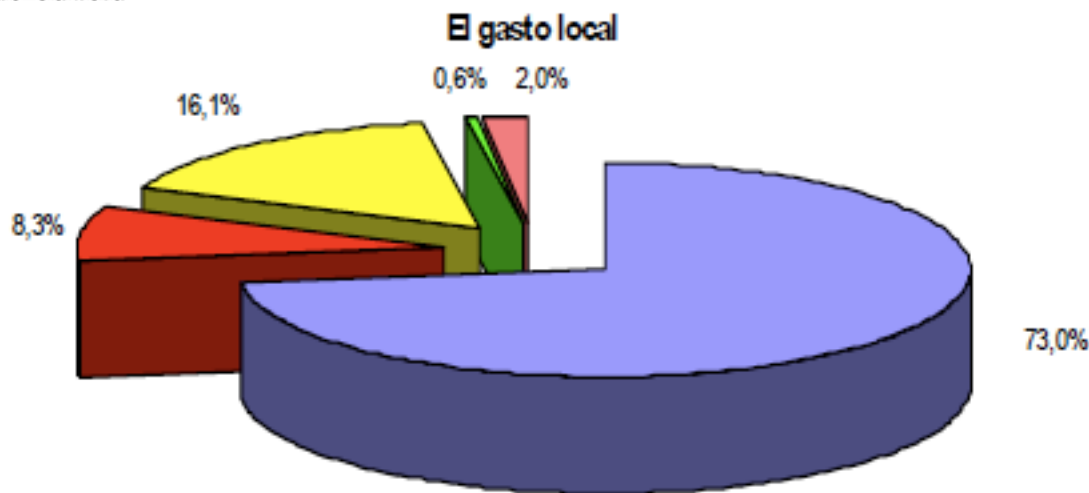
Descentralización ingreso público %



- Minor variations in local decentralization.
- Higher degree of decentralization of spending (14 %) than of income (11%)
- This must be compensated with transfers, especially from the State.



Who spends funds in local public sector?



■ Ayuntamientos
 ■ Dip. Reg. Común
 ■ Dip. Reg. Foral
 ■ Consejos Insulares
 ■ Cabildos Insulares

(Importes en miles de €)

Tipos de entes	Gastos corrientes	Gastos de capital	Gastos no financieros	Gastos financieros	TOTAL GASTOS
Ayuntamientos	39.603.152	17.113.170	56.716.322	2.365.414	59.081.736
Dip. Reg. Común	4.161.300	1.947.897	6.109.197	581.483	6.690.680
Dip. Reg. Foral	11.726.113	1.013.449	12.739.562	297.580	13.037.142
Consejos Insulares	346.467	146.335	492.802	20.286	513.088
Cabildos Insulares	1.107.232	393.353	1.500.584	99.563	1.600.147
TOTAL NACIONAL	56.944.264	20.614.203	77.558.467	3.364.326	80.922.793



In which areas are spent funds in the local public sector?



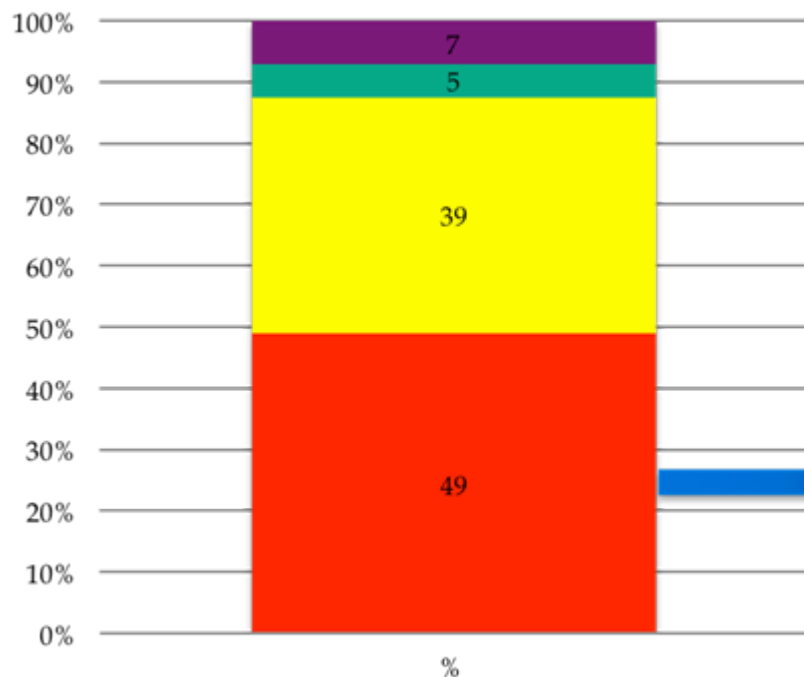
- The small size of Spanish municipalities prevents them from undertaking expenditure functions typically local such as Education, Health and Social services.
- Assumption of inappropriate functions. They represent 30 % of municipal spending.



Local financial resources

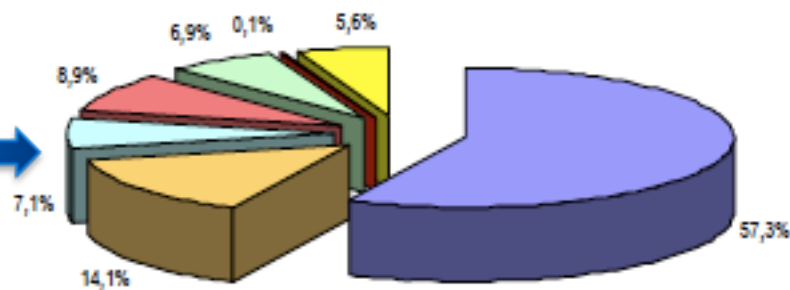
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Estructura de ingresos municipales



■ Impuestos ■ Transferencias
 ■ Ingresos patrimoniales ■ Ingresos financieros

Impuestos municipales (Capítulos 1 y 2 de ingresos)



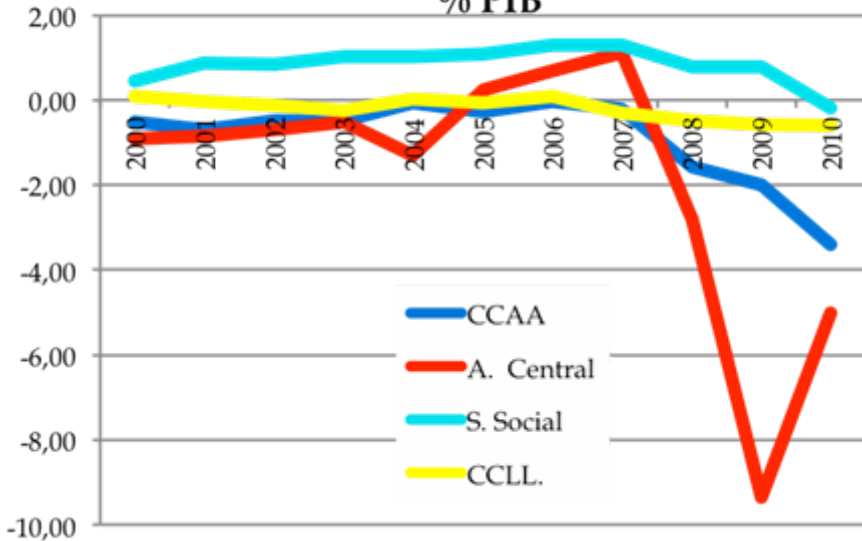
■ IBI ■ IVTM ■ IIVTNU ■ IAE ■ ICIO ■ Otros impuestos indirectos (*) ■ Resto de impuestos (***)



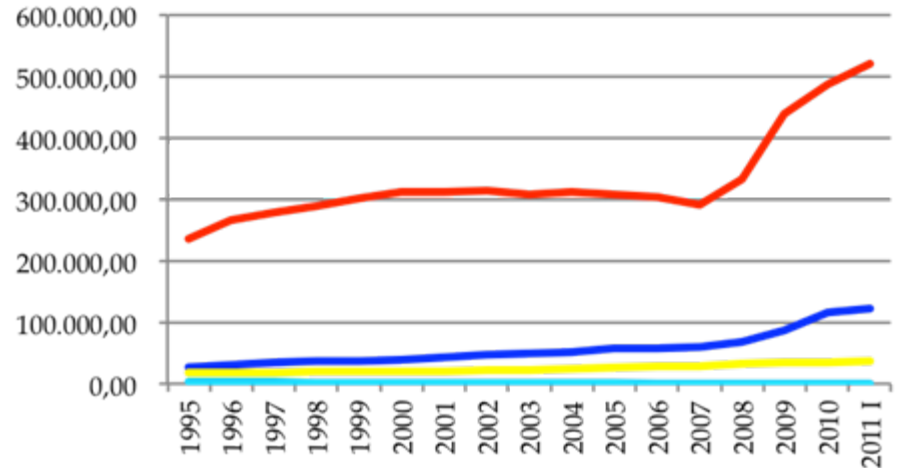
Deficit and indebtedness

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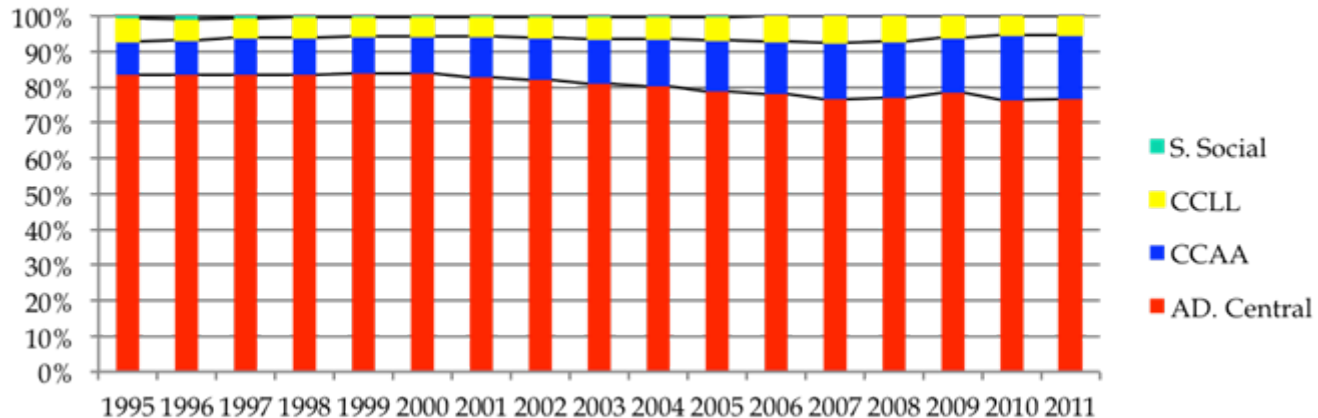
Necesidad (-)/capacidad financiación (+)
% PIB



Evolución deuda en millones €



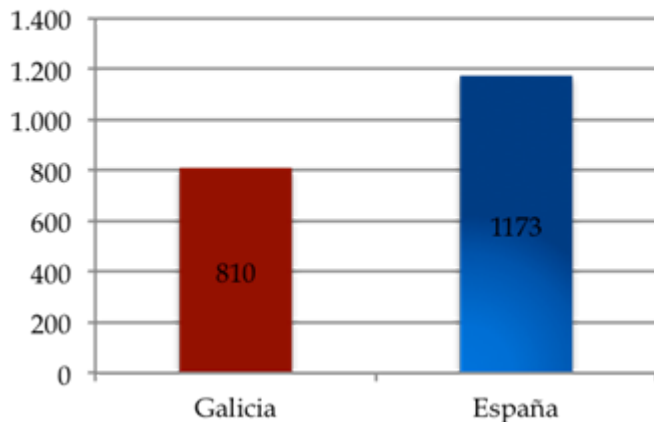
Deuda pública. % por Administración.





Some interesting data

Gasto municipal €/hab



Deuda Municipal €/hab

