

**Translation from Finnish****Legally binding only in Finnish and Swedish****Ministry of Finance, Finland****Act on Wellbeing Services Counties***(611/2021; amendments up to 1056/2024 included)*

By decision of the Parliament, the following is enacted:

**PART I****GENERAL PROVISIONS****Chapter 1****General provisions****Section 1****Objectives and scope of the Act**

The purpose of this Act is to establish the conditions in which self-government in administrative areas larger than municipalities (wellbeing services counties) can take place and, in wellbeing services county activities, opportunities can occur for the residents to participate and exert an influence. A further purpose of the Act is to advance and facilitate the systematic nature and financial sustainability of wellbeing services county activities and create conditions for wellbeing services counties to support the wellbeing of their residents.

This Act applies to the arrangement of administration and finances in wellbeing services counties and to wellbeing services county activities as referred to in section 4, subsection 2, unless otherwise provided by law.

## **Section 2**

### **Status of a wellbeing services county**

A wellbeing services county is an entity governed by public law which has self-government in its area, as provided in this Act.

## **Section 3**

### **Domiciled persons or other stakeholders of a wellbeing services county**

Domiciled persons or other stakeholders of a wellbeing services county are:

- 1) persons whose municipality of residence as referred to in the Municipality of Residence Act (201/1994) is located in the area of the wellbeing services county (*residents of the wellbeing services county*);
- 2) municipalities that are located in the area of the wellbeing services county;
- 3) corporate entities and foundations whose domicile is in a municipality located in the area of the wellbeing services county;
- 4) parties that own or control real property located in the area of the wellbeing services county.

## **Section 4**

### **Wellbeing services county corporations and wellbeing services county activities**

A wellbeing services county subsidiary is a corporate entity in which a wellbeing services county exercises the control referred to in section 5 or section 6, subsection 2 of chapter 1 of the Accounting Act (1336/1997). The wellbeing services county and its subsidiaries together constitute a wellbeing services county corporation. The provisions of this Act concerning county subsidiaries also apply to foundations that fall within the sphere of the wellbeing services county's control.

Wellbeing services county activities comprise the activities of the wellbeing services county and the wellbeing services county corporation, the wellbeing services county's involvement in cooperation

between wellbeing services counties, and other activities based on ownership, agreement and financing. Wellbeing services county activities include the provision of services that the wellbeing services county is responsible for organising, both in corporate entities and foundations that belong to the wellbeing services county corporation and in other corporate entities and foundations.

## **Section 5**

### **Wellbeing services counties and the division into regions**

Provisions on wellbeing services counties and the division into regions when establishing wellbeing services counties are laid down in the Act on the Implementation of the Reform of Health, Social and Rescue Services and on the Entry into Force of Related Legislation (616/2021).

Provisions on changing the boundaries of wellbeing services counties are laid down in the Act on the Division into Counties and Regions (614/2021).

## **Chapter 2**

### **Functions of wellbeing services counties and their responsibility for organising services**

## **Section 6**

### **Functions of wellbeing services counties**

Wellbeing services counties shall arrange the functions provided for them by law. In addition, wellbeing services counties may, in their area, choose to perform functions that support their statutory functions. The performance of a function that a wellbeing services county has chosen to perform may not be of such extent that it jeopardises the performance of the wellbeing services county's statutory functions.

A wellbeing services county may, in its area or, together with another wellbeing services county, also in that county's area, engage low-risk business activities if that supports the performance of its statutory functions. Provisions on wellbeing services county activities in a competitive market environment are laid down in chapter 15.

On the basis of European Union legislation or an international treaty or convention, a wellbeing services county may:

- 1) perform its functions referred to in subsection 1 in cooperation with a government official of another state in the county's area or in the area of the other state in question;
- 2) perform a function of a government official of another state associated with the county's area of responsibility referred to in subsection 1 in cooperation with a government official of the other state in question in the county's area or in the area of the other state in question.

A wellbeing services county may, on the basis of an agreement, chose to perform, instead of the State, a function that is related to the implementation of an international treaty or convention and associated with the area of responsibility referred to in subsection 1.

## **Section 7**

### **Responsibility for organising services**

A wellbeing services county shall be responsible for the performance of the functions provided for it by law, the realisation of wellbeing services county residents' statutory rights and the coordination of service packages as well as for the following in respect of the services and other actions being organised:

- 1) equitable availability;
- 2) definition of need, quantity and quality;
- 3) selection of the method of provision;
- 4) control and monitoring of provision;
- 5) exercise of the powers of public authority.

A wellbeing services county may perform the functions themselves or agree on the transfer of the responsibility for organising services to another wellbeing services county. In addition, the arrangement of wellbeing services county functions may be pooled to one or more wellbeing services counties if that is necessary for improving the quality and availability of services, ensuring sufficient human and other resources or special expertise required for the function or another similar justified reason.

Wellbeing services counties shall be responsible for the financing of their functions, even if the responsibility for organising services has been transferred to another wellbeing services county or, by virtue of law, another wellbeing services county is responsible for performing the function.

## **Section 8**

### **Transfer of functions between wellbeing services counties and municipalities**

A wellbeing services county may, on the basis of an agreement, perform such municipal functions that are provided separately by law to be performed by a municipality. The performance of such functions requires that all municipalities in the wellbeing services county participate in the conclusion of the agreement, that the municipalities have allocated financing for the wellbeing services county for the performance of the functions and that the functions to be performed are associated with the wellbeing services county's area of responsibility.

A wellbeing services county may also, as separately provided by law, agree on the transfer of the responsibility for organising services to one or more municipalities that have, according to the wellbeing services county's estimate, sufficient financial and other resources to perform this function.

## **Section 9**

### **Provision of services**

Unless otherwise provided by law, wellbeing services counties may themselves provide the services that they are responsible for organising, provide them in cooperation with other wellbeing services counties or acquire these from other service providers on the basis of an agreement. Provisions on the use of service vouchers shall be laid down separately.

Wellbeing services counties may assign a public administrative function to a party other than a public authority only if this is separately provided by law.

Even if wellbeing services counties acquire services from another service provider, they retain the responsibility for organising services. In addition, the service provider's responsibility for the services is determined in accordance with the provisions of this Act or those laid down in other acts and on the basis of what is agreed between the wellbeing services county and the service provider on the division of responsibilities.

## **Section 10 (723/2022)**

### **Execution of the provision responsibility and its monitoring**

The wellbeing services county shall ensure that other service providers that provide services that the wellbeing services county is responsible for organising have sufficient professional, operational and financial preconditions to take care of the provision of services. The wellbeing services county shall include in its administrative regulations and agreements concluded with private service providers the provisions required for executing the wellbeing services county's responsibility for organising services.

The wellbeing services county shall guide and monitor the provision of services that it is responsible for organising. The wellbeing services county has the right to receive from private service providers and their subcontractors, free of charge and notwithstanding non-disclosure provisions, information and reports necessary for ensuring the preconditions for the appropriate provision of services and carrying out monitoring. In addition, to ensure the preconditions for the appropriate provision of services and to carry out monitoring, the wellbeing services county authority has the right to inspect the premises and equipment of private service providers and their subcontractors and, in this context, the right to access the premises controlled by private service providers and their subcontractors. However, this inspection right does not apply to premises used for residence of a permanent nature, unless inspection is necessary for securing the client's status and rights and appropriate services. In other respects, the inspection shall be subject to the provisions of section 39 of the Administrative Procedure Act (434/2003).

## **Chapter 3**

### **Wellbeing services county's relationship with central government and municipalities**

#### **Section 11 (468/2024)**

##### **Monitoring, steering and oversight of legality of wellbeing services counties**

The Ministry of Finance monitors the activities and finances of the wellbeing services counties in general and is responsible for the general steering of the finances and administration of the counties in so far as this has not been laid down as being within the competence of the Ministry of Social Affairs and Health, Ministry of the Interior or other ministry. The Ministry of Finance coordinates the Government's steering of the wellbeing services counties and ensures that their self-governing status is taken into account whenever legislation on wellbeing services counties is drafted.

Provisions on the competence of the Ministry of Social Affairs and Health with respect to the general guidance, planning, development and supervision of healthcare and social welfare are laid down in section 21 of the Act on Organising Healthcare and Social Welfare Services (612/2021). Provisions on the competence of the Ministry of the Interior with respect to the general guidance, planning and development of rescue services are laid down in section 7 of the Act on the Organisation of Rescue Services (613/2021).

If a complaint on the grounds of procedural error is made, the Regional State Administrative Agency may investigate whether the wellbeing services county has acted in accordance with legislation in force.

#### **Section 12**

##### **Wellbeing services county finances as part of the General Government Fiscal Plan**

The adequacy of wellbeing services county funding for performing their functions as a whole and by wellbeing services county (principle of adequate financial resources) is assessed in the General Government Fiscal Plan, provisions on which are laid down in and under the Act on the Implementation of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union and on Multi-annual Budgetary Frameworks (869/2012). In addition, the Plan

discusses the functions and obligations of wellbeing services counties, their finances and the State's financial liabilities related to wellbeing services county finances.

The General Government Fiscal Plan and the general government fiscal policy objectives set by the Government guide the ministries in the preparation of legislation and guidance concerning the wellbeing services counties. (468/2024)

### **Section 12a (468/2024)**

#### **National objectives for the functions of wellbeing services counties**

At least every four years, the Government confirms national strategic objectives for the performance of the healthcare, social welfare and rescue service functions of the wellbeing services counties to a high standard and in a cost-effective and equal manner. The national objectives must take in to account the general government fiscal policy objectives set by the Government and the reports of the Ministry of Social Affairs and Health and Ministry of the Interior referred to in section 31 of the Act on Organising Healthcare and Social Welfare Services and section 15 of the Act on the Organisation of Rescue Services as well as any other monitoring information concerning the activities and finances of social welfare and healthcare and rescue services.

The objectives must include:

- 1) objectives for ensuring the equal provision and effectiveness of services, the integration of services and the linguistic rights of the population and the objectives for promoting gender equality;
- 2) objectives for increasing productivity and cost-effectiveness;
- 3) objectives for developing information management and digitalisation;
- 4) objectives for promoting wellbeing, health and safety and for the related cooperation between wellbeing services counties, municipalities and other operators;
- 5) general guidelines for far-reaching investments by wellbeing services;

- 6) objectives for regional and national preparedness and contingency planning;
- 7) objectives concerning cooperation and the division of responsibilities between the wellbeing services counties and between the collaborative areas for healthcare and social welfare;
- 8) objectives for education, research, development and innovation activities.

The national objectives may also apply to other matters than those referred to in subsection 2 that are necessary to develop the activities and finances of the wellbeing services counties.

The Ministry of Finance shall in cooperation with the Ministry of Social Affairs and Health monitor and assess the achievement of the national objectives annually. The objectives shall be amended if necessary. An amendment may be based on a proposal by one or more wellbeing services counties or on an initiative by a ministry.

### **Section 13 (468/2024)**

#### **Advisory Board for Wellbeing Services Counties**

The Advisory Board for Wellbeing Services Counties operates in conjunction with the Ministry of Finance. The purpose of the Advisory Board is to promote the implementation of strategic policies related to the activities and finances of wellbeing services counties, the realisation of the self-government of wellbeing services counties and cooperation among national and regional bodies.

The tasks of the Advisory Board are:

- 1) to anticipate, monitor and assess the realised and future development of the activities and finances of the wellbeing services counties;
- 2) to consider legislation, legislative projects and other central government measures that are far-reaching and important in principle for the activities, finances and self-government of wellbeing services counties;

3) to promote the achievement of and make proposals concerning the national objectives set for the functions of wellbeing services counties as well as to consider the ministry initiatives and county proposals for amending the objectives referred to in section 12a, subsection 4 and the proposals;

4) to consider needs to develop the legislation concerning the functions of wellbeing services counties;

5) to promote cooperation among national and regional bodies and consider the division of responsibilities between and cooperation among the collaborative areas for healthcare and social welfare.

The Advisory Board is appointed by the Government. The Advisory Board has representatives from wellbeing services counties, the HUS Group, the City of Helsinki, the Ministry of Finance and other ministries responsible for steering the functions of wellbeing services counties.

Further Provisions on the Advisory Committee's composition, term of office, sub-committees and tasks may be laid down by government decree.

### **Section 13a (468/2024)**

#### **Negotiations with a wellbeing services county**

The Ministry of Finance, Ministry of Social Affairs and Health and Ministry of the Interior hold joint annual negotiations, coordinated by the Ministry of Finance, with each wellbeing services county on the implementation of the functions that the county is responsible for organising and on the financial management of the county. The purpose of the negotiations is to support the effectiveness, economic efficiency and performance of the wellbeing services county and to provide strategic steering of the duties of the wellbeing services county to organise services, taking account of the national objectives referred to in section 12a.

The negotiations monitor and assess the realisation of the county's responsibility for organising services. The negotiations also discuss targets for the functions of the county as well as measures to support those targets. The negotiations cover the realised and future development of the costs and funding of the county. They also cover cost management and other measures implemented in

the county to secure the performance of the counties functions and to secure the availability of services with the available funding.

If necessary, the ministries shall provide the county with recommendations for measures to support the county's effectiveness, economic efficiency and performance with respect to finances and organising services.

The monitoring and assessment of the realisation of the county's responsibility for organising services makes use of the annual reports referred to in section 29, subsection 2 and section 30 of the Act on Organising Healthcare and Social Welfare Services and section 13, subsection 2 and section 14 of the Act on Organising Rescue Services. It also uses expert assessments from the Finnish Institute for Health and Welfare and Regional State Administrative Agencies and, if necessary, assessments from other authorities.

The Ministry of Finance will draw up a document of the negotiations in cooperation with the wellbeing services county. The document records the matters discussed and the conclusions reached in the negotiations as well as any recommendations for measures that may have been issued by the ministries. The document is published in a public information network.

The provisions of this section on a wellbeing services county also apply to the HUS Group. The City of Helsinki and the wellbeing services counties in Uusimaa also participate in the negotiations with the HUS Group.

### **Section 13b (1056/2024)**

#### **Proactive financial steering procedure**

The proactive financial steering procedure is a negotiation procedure between the Ministry of Finance and a wellbeing services county. The aim of the procedure is to prevent the county's financial situation from deteriorating. The Ministry of Finance may start a negotiation procedure with a wellbeing services county if:

1) the ratio between the annual contribution margin and the depreciations in the consolidated income statement of the wellbeing services county is below 100 per cent or the computational loan

coverage ratio in the consolidated financial statements is less than one, as calculated in accordance with section 123, subsection 2;

2) it is evident that the measures concerning changes to activities and finances required of the wellbeing services county in a decision under section 15, subsection 3 or section 26, subsection 1 of the Act on the Funding of Wellbeing Services Counties (617/2021) or in a procedure under section 122 of this Act are not being implemented and the county has not made a decision on substituting measures;

3) the budget and financial plan do not present detailed measures or rationale needed to balance or cover the deficit of the financial plan or the budget and financial plan do not comply with the provisions of section 115; or

4) the financial development of the wellbeing services county is substantially weaker than estimated or cannot be estimated based on the presented or reported information.

The Ministry of Social Affairs and Health and Ministry of the Interior participate in the negotiation procedure.

The Ministry of Finance leads the drafting of a document on the negotiation procedure. The document records the matters discussed and the conclusions reached in the procedure as well as any recommendations for measures to restructure finances and safeguard the organisation of services that may have been issued to the county. The document also sets out the monitoring and reporting schedule for the implementation of such measures. The document is published in a public information network.

Provisions on the application of the Act to the HUS Group and the City of Helsinki are laid down in the Act on Organising Healthcare, Social Welfare and Rescue Services in the Region of Uusimaa (615/2021). The City of Helsinki and the wellbeing services counties in Uusimaa also participate in the negotiation procedure with the HUS Group.

**Section 14****Negotiation between the wellbeing services county and municipalities**

The wellbeing services county and the municipalities located in its area must negotiate at least once each council term on the cooperation, targets and division of tasks related to the performance of the county's functions. The topics that can be agreed on in the negotiation include at least the structures, operating models and information flow required by cooperation.

**Section 15****Wellbeing services county's budget authority for borrowing**

The Government decides annually, at the proposal of the Ministry of Finance, on granting a wellbeing services county budget authority for taking out a long-term loan. The wellbeing services county may take out a loan in the amount determined in the decision in order to finance investments according to the investment plan referred to in section 16. The budget authority for borrowing must also cover contracts corresponding to investments. The Government's earlier decisions on the authority amount shall be taken into account in the amount determined for budget authority for borrowing. The Government's decision shall be based on the General Government Fiscal Plan referred to in section 12 and the wellbeing services county's budget authority for borrowing referred to in subsection 2. If the financial position of general government finances, central government finances or the wellbeing services county deteriorates significantly and exceptionally, the wellbeing services county's budget authority for borrowing can be confirmed at a lower level than what is defined in subsection 2. (1056/2024)

The wellbeing services county's budget authority for borrowing is the difference between the maximum amount based on the wellbeing services county's computational loan coverage ratio and the anticipated loan amount at the beginning of the accounting period. The computational loan coverage ratio shall be calculated using a formula where interest income is added to the annual contribution margin of the income statement and the resulting amount is divided by the amount of interest income and computational loan repayments. The computational loan repayments shall be arrived at by dividing the amount of loans on the balance sheet by ten. When calculating the amount of the budget authority for borrowing, the value of the computational loan coverage ratio shall be one. The value used for the annual contribution margin shall be the value according to the

wellbeing services county's budget for the year preceding the accounting period and this value can be adjusted on the basis of information from monitoring of finances as referred to in section 120.

The Government shall change the wellbeing services county's budget authority for borrowing if the investment is necessary for the continuity of the provision of services that the wellbeing services county is responsible for organising or for securing services required by legislation and the need for investment cannot be covered by other means. A decision on changing the budget authority for borrowing can be made upon the application of the wellbeing services county or at the initiative of the Ministry of Finance, the Ministry of Social Affairs and Health or the Ministry of the Interior.

The Ministry of Finance shall set up a preparatory group for preparing the decision referred to in subsection 3, with representatives appointed by the Ministry of Finance, the Ministry of Social Affairs and Health, the Ministry of the Interior and the wellbeing services county in question. The task of the preparatory group shall be to assess the prerequisites for changing the budget authority for borrowing, the required amount of the budget authority for borrowing and terms and conditions set for the wellbeing services county. The assessment shall be based on the overall assessment that is in turn based on information about the wellbeing services county finances and activities.

## **Section 16**

### **Investment plan**

The wellbeing services county must annually draw up an investment plan regarding the wellbeing services county corporation's investments initiated in the four accounting periods following the next accounting period and their financing. The investment plan shall include information about investments and contracts corresponding to investments. Furthermore, it shall include information about the planned disposals of the wellbeing services county's premises and real estate properties and other long-term assets. The investment plan shall consist of a subsidiary plan for healthcare and social welfare and a subsidiary plan for rescue services. The investment plan may not conflict with the wellbeing services county's budget authority for borrowing referred to in section 15.

The investment plan proposal must be submitted to the Ministry of Finance, the Ministry of Social Affairs and Health and the Ministry of the Interior by the end of the calendar year. Provisions on the investment plan's subsidiary plans concerning healthcare and social welfare and rescue

services and on the investment plan approval procedures are laid down in sections 25 and 26 of the Act on Organising Healthcare and Social Welfare Services (612/2021) and section 11 of the Act on Organising Rescue Services (613/2021).

## **Section 17**

### **Central government guarantee**

The Government may decide to grant, without requiring counter-security but otherwise on the terms and conditions defined by the Government, a self-debtor central government guarantee (guarantee as for one's own debt) as security for a loan taken out within the scope of the wellbeing services county's budget authority for borrowing referred to in section 15. However, if security has been given for the loan, the central government guarantee shall be granted as a deficiency guarantee with regard to the security given. A property with which the loan is associated may not be used as security without the Government's consent.

The guarantee referred to in this section shall be otherwise subject to the provisions of the Act on Central Government Lending and Central Government Guarantees (449/1988).

The maximum total amount of the guarantees referred to in this section that can be valid at any given moment is the amount of the authorisation that Parliament has granted in connection with the processing of the Budget.

## **Section 18**

### **Monitoring of the central government guarantee**

The State Treasury shall be responsible for the administration and monitoring of central government guarantees. The State Treasury has the right to receive the information and reports referred to in section 15a of the Act on Central Government Lending and Central Government Guarantees.

The issuer of the loan with which the central government guarantee is associated may be changed, the loan may be transferred to another party and the loan repayment programme, interest and other loan terms and conditions as well as the security of the loan may be changed

during the validity of the guarantee if the State Treasury approves the change. However, the decision on the approval of the changes referred to in this subsection is made by the Government if the change is associated with a loan with a remaining principal of at least EUR 20 million or if the change to be made to the loan is otherwise exceptionally significant for the State's guarantee liability.

## **Section 19**

### **Loan issuer's obligations related to central government guarantees**

A prerequisite for the validity of a central government guarantee is that the loan issuer takes care of the loan with which the guarantee is associated in accordance with this Act and the good banking practice. During the validity of the central government guarantee, the loan issuer shall be obligated to oversee the State's interests, notify the State Treasury of the borrower's payment delays in accordance with the State Treasury's regulations and comply with other regulations issued by the State Treasury.

## **Section 20**

### **Guarantee compensation and right of contribution or recourse**

The State Treasury shall pay guarantee compensation to the loan issuer from the state funds when the loan with which the central government guarantee is associated has fallen due and the transaction related to this is targeted both at the debtor and at the guarantor. If the central government guarantee has been granted as a deficiency guarantee, the guarantee compensation shall be paid when the final loss of the loan issuer has been determined after the debtor's insolvency has been established and the property used as security has been sold. If the loan issuer manages to collect missed repayments, interest or other payments from the borrower after the guarantee compensation has been paid, the loan issuer must disburse them to the State Treasury.

If the loan issuer has not complied with this Act or the provisions issued under it or with the good banking or collection practice when granting the loan with which the central government guarantee is associated or when taking care of the loan or its securities and this has violated the guarantor's interests, the State Treasury may decide that the guarantee compensation is left partially or fully unpaid.

The State Treasury has a right to collect the guarantee compensation paid to the loan issuer from the borrower, with interest for late payment pursuant to section 4, subsection 1 of the Interest Act (633/1982). Interest for late payment shall be calculated starting from the time when the guarantee compensation was paid to the loan issuer.

## **Section 21**

### **National Centre of Excellence for Facilities and Real Estate Management**

The Centre of Excellence for Facilities and Real Estate Management is a limited liability company which is owned jointly by the wellbeing services counties and in which the State may be a shareholder. The task of the Centre of Excellence shall be to maintain the wellbeing services counties' joint facility information system and related services and annually provide the wellbeing services counties and the Government with a report of the wellbeing services counties' facility-related investment decisions and their impacts on the finances of the wellbeing services counties. In addition, the wellbeing services counties may assign the Centre of Excellence other tasks associated with facilities or real estate management. A wellbeing services county may not sell, pledge or otherwise hand over Centre of Excellence shares to parties other than other wellbeing services counties or the State.

The clients of the Centre of Excellence include the shareholders as well as the corporate entities that are under the control of wellbeing services counties, carry out tasks in the Centre of Excellence's area of responsibility and do not operate in a competitive market environment as referred to in section 131. The wellbeing services counties and their subsidiaries must use the facility information system referred to in subsection 1 and the services related to it and, if the wellbeing services counties so agree, other services provided by the Centre of Excellence.

The Centre of Excellence has the right to receive from wellbeing services counties, on request, county subsidiaries and municipalities any information and documents necessary for carrying out its tasks, unless otherwise provided by provisions on non-disclosure and the processing of personal data. The wellbeing services counties have the right to receive from the Centre of Excellence any information and documents they consider necessary for the guidance and monitoring of the Centre, the planning of the wellbeing services county's investments and the preparation of the wellbeing services county's action and financial plans and financial statements. Ministries have the

right to receive from the Centre of Excellence any information they consider necessary for guiding, financing and monitoring the wellbeing services counties.

Further provisions on the Centre of Excellence's tasks and services included within the scope of the usage obligation can be given in a government decree. Before a government decree is issued, the wellbeing services counties and, to a necessary extent, their subsidiaries must be heard.

## **PART II**

### **DEMOCRACY AND EXERTING INFLUENCE**

#### **Chapter 4**

##### **County council**

#### **Section 22**

##### **Duties of the county council**

Wellbeing services counties shall have a county council, which shall be responsible for the wellbeing services county's activities and finances and shall exercise the wellbeing services county's power of decision.

The county council shall decide on:

- 1) the strategy for the wellbeing services county;
- 2) the administrative regulations of the wellbeing services county;
- 3) the budget and the financial plan of the wellbeing services county;
- 4) the ownership policy principles and the corporate governance principles applying to the wellbeing services county corporation;
- 5) the operating and financial targets set for unincorporated county enterprises;
- 6) the principles for managing assets and for financing and investment activities;

- 7) the principles for internal control and risk management;
- 8) the general principles concerning payments charged for services and for other tasks performed; (1056/2024)
- 9) the granting of a guarantor's undertaking or other security for another party's debt;
- 10) the election of members to the decision-making bodies, unless otherwise provided hereafter;
- 11) the principles concerning the financial benefits of elected officials;
- 12) the appointment of the wellbeing services county's auditor; 1056/2024)
- 13) the appointment of parties liable to render accounts;
- 14) the approval of the wellbeing services county's financial statements and the granting of discharge from liability;
- 15) other matters that are laid down for the decision of the county council.

## **Section 23**

### **County elections**

County councillors and deputy county councillors shall be elected to the county council in elections held within the wellbeing services county (county elections). The term of the county council shall be four years and this shall begin at the start of June in the election year.

County elections shall be direct, proportional and by secret ballot. All eligible voters have an equal right to vote.

Provisions on holding county elections are laid down in the Election Act (714/1998).

## Section 24

### Number of county councillors

The number of county councillors shall be decided by the county council. The number of county councillors elected shall be an odd number based on the population of the wellbeing services county, as follows:

Population	Minimum number of county councillors
no more than 200,000	59
200,001–400,000	69
400,001–600,000	79
over 600,000	89

Unless the county council makes a decision about the number of county councillors, the number of county councillors elected shall be the minimum laid down by law. A county council decision about a larger number than the minimum or a change to a previous decision shall be notified to the Ministry of Justice by the end of the year preceding the election year. A county council decision on the number of county councillors may be put into effect before it has attained legal force.

The population figures referred to in this section shall be based on the information deposited in the Population Information System referred to in the Act on the Population Information System and the Certificate Services of the Digital and Population Data Services Agency (661/2009) at the end of the 30th day of November in the year preceding the election year.

## Section 25

### Deputy councillors

The same number of deputy councillors as there are county councillors shall be elected for the county councillors from among the first unelected candidates of each electoral alliance, party or joint list that featured in the county elections, however a minimum of two. An elected county

councillor who was the candidate of a constituency association not on a joint list shall have no deputy councillor.

If a county councillor is found to have forfeited eligibility for election, has been relieved of the post or has died, the county council chairperson shall invite in the county councillor's place for the remainder of the term the deputy councillor who is next in line from the electoral alliance, party or joint list in question and who has not yet been invited to be a county councillor.

If a quorum cannot be reached at the county council due to the disqualification of county councillors and deputy councillors, the county election board shall, on request of the chairperson of the county council, appoint new deputy councillors in compliance with the provisions of subsection 1 of this Act and section 143m of the Election Act. The deputy councillors thus appointed participate at the meetings of the county council in matters where the county councillors and deputy councillors are disqualified.

## **Section 26**

### **Chairperson and deputy chairpersons**

County councils shall elect from their members a chairperson and the necessary number of deputy chairpersons for the council's term of office, unless the council has decided that their term will be shorter than that of the council. The chairperson and deputy chairpersons shall be elected during the same election procedure.

The chairperson and deputy chairpersons of the county council shall have the right to attend and speak at meetings of the county executive.

## **Section 27**

### **County council groups and support of their activities**

County councillors may form county council groups for the purpose of conducting council business. A county council group may be established by even one individual councillor.

To improve the operational preconditions for county council groups, wellbeing services counties may provide financial support for their internal activities and for measures by which county council groups can promote opportunities for the residents of the wellbeing services county to participate and exert an influence. When granting support, the purpose of the support shall be specified. The amount of support for each county council group shall be notified in the wellbeing services county's financial statements.

## **Chapter 5**

### **Right of participation of a wellbeing services county's residents**

#### **Section 28**

##### **Right to vote in county elections and county referenda**

Citizens of Finland or of other European Union Member States or Iceland or Norway who are at least 18 years old on the day of the election and whose municipality of residence as referred to in the Municipality of Residence Act belongs to the wellbeing services county in question, according to information held in the Population Information System at the end of the 51st day before the election day, have the right to vote in county elections. Other foreigners meeting the requirements laid down above shall also have the right to vote in county elections if, at the time referred to, they have had a municipality of residence in Finland for a minimum of two years.

Persons employed by the European Union or by an international organisation operating in Finland, and the family members of such persons, who are at least 18 years old on the day of the election and whose place of residence is in a municipality belonging to the wellbeing services county in question, according to information held in the Population Information System at the end of the 51st day before the election day, also have the right to vote in county elections, provided that:

- 1) the information about them has been deposited at their request in the Population Information System in the manner laid down in the Act on the Population Information System and the Certificate Services of the Digital and Population Data Services Agency; and
- 2) they have informed the Digital and Population Data Services Agency in writing no later than the 52nd day before the election day, and before 16.00, of their desire to exercise their right to vote in

county elections or municipal elections, or have not cancelled in writing a notification which they provided earlier.

The right to vote in a referendum held in a wellbeing services county shall be subject to the provisions of subsections 1 and 2 on the right to vote in county elections.

## **Section 29**

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

A wellbeing services county's residents and service users shall have the right to participate in and influence the activities of the wellbeing services county. The county council shall ensure that there are diverse and effective opportunities and methods for participation and exerting influence.

Participation and exerting influence can be furthered especially by:

- 1) arranging opportunities for discussion and for views to be presented and setting up county resident panels;
- 2) finding out the opinions of residents and service users who are legal or long-term residents of the wellbeing services county before making decisions;
- 3) electing representatives of service users to county decision-making bodies;
- 4) planning and developing services together with service users;
- 5) arranging opportunities to participate in the planning of county finances;
- 6) supporting independent planning and preparation of matters by residents, organisations and other corporate entities.

## **Section 30**

### **Right of initiative**

Domiciled persons or other stakeholders of a wellbeing services county have the right to submit initiatives on matters concerning the wellbeing services county's activities. Action undertaken as a result of an initiative shall be notified to those who submitted the initiative.

The initiative must contain, for each submitter of the initiative, the grounds that indicate the stakeholderhood of the wellbeing services county. When processing the initiative, the wellbeing services county must give the representatives of the submitters of the initiative an opportunity to be heard.

Service users also have the right to submit initiatives in matters concerning the wellbeing services county's service in question.

At least once a year, the county council shall be informed of all the initiatives submitted on matters within its purview and of the actions taken as a result.

## **Section 31**

### **County referendum**

The county council may decide to hold a consultative referendum in the wellbeing services county's area on a matter that falls within the wellbeing services county's purview. No request for a judicial review is permitted against a county council decision to hold a county referendum.

All eligible voters have an equal right to vote. Voting shall be by secret ballot.

Submitting an initiative on holding a referendum requires that the initiative submitters constitute at least three per cent of those persons resident in the wellbeing services county who are at least 15 years old. The county council must, without delay, decide whether to hold the referendum referred to in the initiative. When processing the initiative, the wellbeing services county must give the representatives of the submitters of the initiative an opportunity to be heard.

Provisions on holding referenda are laid down in the Act on the Procedure for Holding Consultative Referenda in Wellbeing Services Counties and Municipalities (656/1990).

## **Section 32**

### **Bodies for exerting influence in wellbeing services counties**

The county executive must set up a youth council or similar group representing young people's views, a council for older people and a council for people with disabilities in order to secure the opportunity for these population groups to participate and exert an influence. The members of these bodies for exerting influence in wellbeing services counties shall be elected among the members of equivalent bodies exerting influence in the municipalities of the wellbeing services county in question, with at least one representative elected from each body. Other persons can also be elected to the bodies. The county executive must ensure the operational preconditions for the bodies for exerting influence in the wellbeing services county.

The bodies for exerting influence in wellbeing services counties shall be given the opportunity to influence the planning, preparation, execution and monitoring of the wellbeing services county's activities in matters that are or that the body in question considers to be significant for children and young people, older people or people with disabilities and in terms of the services they need, and the bodies shall be involved in the development of participation and the opportunities for these population groups' views to be presented in the wellbeing services county.

## **Section 33**

### **National languages board and Sami language board**

Bilingual wellbeing services counties shall have a national languages board. The members of the board shall be elected from among persons who belong to the language minority of the wellbeing services county.

The tasks of the national languages board are:

- 1) to analyse and assess the impacts of the county council's decisions on how linguistic rights are secured in practice and provide statements on this;

2) to analyse, assess and define the need for services provided in the wellbeing services county's minority language and to monitor the availability and quality of these services;

3) on the basis of analysis, assessment and monitoring, to make proposals to the county executive regarding measures for developing the language minority's services and service chains and for the personnel's language skills requirements and the development of their language skills;

4) in a bilingual wellbeing services county where the minority language is Swedish, to make proposals regarding the content of the agreement on the cooperation and division of tasks among bilingual wellbeing services counties, referred to in section 39 of the Act on Organising Healthcare and Social Welfare Services, to give a statement on the agreement to the county council and to monitor the execution of the agreement.

The board may also have other tasks laid down in the administrative regulations.

The board shall provide the county executive with an annual report on the realisation of the language minority's services. The county executive shall provide the county council with a statement on the measures arising from the board's report.

The chairperson of the board shall have the right to attend and speak at meetings of the county executive.

A wellbeing services county which includes a municipality located in the Saami homeland shall have a Saami language board. The members elected to the board shall be Saami-speaking persons. At the minimum 40 per cent of the board members must be appointed from among persons proposed by the Sámi Parliament and the Village Committee referred to in section 42 of the Skolt Act (253/1995) so that the Village Committee shall propose one member. With the exception of subsection 2, paragraph 4, the board shall be otherwise subject to the above provisions on the national languages board.

## **Section 34**

### **Communications**

Residents, service users, organisations and other corporate entities shall be informed about the wellbeing services county's activities. The wellbeing services county shall provide sufficient information on the services it organises, the county finances, matters under preparation in the wellbeing services county's administration and plans concerning these, the processing of these matters, the decisions made and their effects. Wellbeing services counties shall provide information on how to participate in and influence the preparation of decisions.

Wellbeing services counties shall ensure that the necessary information about preparatory work concerning matters for consideration by decision-making bodies is given out in a public information network on the wellbeing services county's website once the meeting agenda is ready in order to satisfy the general need for information. In their online communications, wellbeing services counties shall ensure that non-disclosable information is not released in a public information network and that privacy protection and protection of personal data are observed in communications.

In communications, appropriate, clear and comprehensible language shall be used and the needs of the wellbeing services county's different groups of residents shall be taken into account. Accessible methods must be used in communications.

## **PART III**

### **DECISION-MAKING BODIES AND MANAGEMENT**

#### **Chapter 6**

##### **Decision-making bodies of wellbeing services counties**

#### **Section 35**

##### **Decision-making bodies of wellbeing services counties**

Each wellbeing services county shall have a county council, a county executive and a county audit committee. Provisions on the national languages board and the Saami language board are laid down in section 33.

The county council may establish:

1) committees to operate under the county executive for managing functions of a permanent nature;

2) management boards for managing an unincorporated county enterprise or for a particular function;

3) sub-committees for the county executive, for a committee or for a management board.

A commission may be set up by the county executive or, if so decided by the county council, by some other decision-making body in order to perform a specified task.

Sub-committees of the county executive or of a committee or of a management board shall be subject to the provisions on the decision-making body under which they operate.

## **Section 36**

### **Composition of decision-making bodies**

The county council may decide that:

1) all or some of the members of a management board shall be elected by a decision-making body other than the county council;

2) all or some of the members of a management board shall be elected according to principles specified by the county council on the basis of a proposal from the wellbeing services county's residents, its personnel or service users.

A deputy member of a decision-making body may also be a member of a sub-committee. The county council may decide that persons other than members and deputy members of the decision-making body may be elected as members of a sub-committee, but not as its chairperson.

Members of decision-making bodies shall have personal deputies elected for them, who shall be subject to the provisions concerning ordinary members.

Provisions on equality between women and men in electing members of decision-making bodies are laid down in section 4a of the Act on Equality between Women and Men (609/1986).

### **Section 37**

#### **Term and election of members of decision-making bodies**

The members of decision-making bodies shall be elected for the term of the county council, unless the council has decided that their term will be shorter than that of the council or provisions hereafter state otherwise. When a decision-making body elects the members of a sub-committee, it shall also decide on the term of these members. A commission shall be established for no longer than the term of the decision-making body setting it up.

The members of the county executive, the county audit committee and other committees shall be elected at a June meeting of the county council.

### **Section 38**

#### **Chairperson and deputy chairpersons of decision-making bodies**

The county council, or other decision-making body responsible for the task, shall elect a chairperson and a necessary number of deputy chairpersons for the decision-making body from among those elected as members. The chairperson and deputy chairpersons shall be elected during the same election procedure.

The county council may decide whether the chairpersons and deputy chairpersons of the county council and the county executive and the chairpersons of committees may serve as full-time or part-time elected officials.

### **Section 39**

#### **Removal of elected officials before the end of their term**

The county council may remove the elected officials it has elected to a decision-making body of the wellbeing services county or of a joint county authority or of a joint county decision-making

body before the end of their term if all or some of them do not enjoy the confidence of the county council. A removal decision shall apply to all the elected officials of the decision-making body.

The county council may remove its chairperson and deputy chairperson(s) as well as the chairperson and deputy chairperson(s) of decision-making bodies it has appointed before the end of their term if all or some of them do not enjoy the confidence of the county council. A removal decision shall apply to the chairperson and deputy chairpersons together.

Matters regarding the removal of elected officials, chairpersons and deputy chairpersons shall be initiated at the proposal of the county executive or if at least a quarter of county councillors submit an initiative to this effect.

## **Section 40**

### **Council ad hoc committees**

When a matter concerning the removal of elected officials as referred to in section 39 or the dismissal of the county chief executive or the transfer of the county chief executive to other duties as referred to in section 47 has been initiated, the county council may establish an ad hoc committee to perform the preparatory work on the matter. The members of the committee must be county councillors or deputy councillors.

An ad hoc committee may also be established for the purpose of issuing an opinion or for the auditing of administration.

In matters that are subject to preparation by a council ad hoc committee, the ad hoc committee shall obtain an opinion from the county executive.

If the members and deputy members of the county executive are disqualified to attend to the duties belonging to the county executive under section 42 or 43 and a quorum cannot be reached at the county executive for this reason, the county council shall appoint an ad hoc committee to attend to the matters handled at the county executive which the disqualification of the members and deputy members of the county executive concern. The eligibility for election of a member of the committee appointed for this duty shall be governed by the provisions on the eligibility for election of a member of the county executive and otherwise the committee shall be governed by

the provisions on a county executive. The term of the ad hoc committee appointed for this duty shall end when the handling of these matters has ended in the wellbeing services county.

## **Chapter 7**

### **Wellbeing services county management and the county executive**

#### **Section 41**

##### **Strategy for a wellbeing services county**

Each wellbeing services county shall have a county strategy in which the county council determines the long-term objectives for the county's activities and finances. The county strategy shall take into account:

- 1) advancement of the wellbeing of the residents in the wellbeing services county's area of responsibility;
- 2) strategic policies related to organising and providing services;
- 3) the service objectives laid down in acts on the functions of wellbeing services counties;
- 4) ownership policy;
- 5) personnel policy;
- 6) opportunities for the residents to participate and exert an influence.

In bilingual wellbeing services counties and wellbeing services counties referred to in section 33, subsection 6, the strategy must take into account that linguistic rights are secured when the wellbeing services county's services are organised and provided.

The county strategy shall be based on an assessment of the wellbeing services county's situation at the time when the strategy was drawn up and of the future changes in the operating environment and their impacts on the performance of the wellbeing services county's functions.

The strategy shall also define the process of assessment and monitoring of the strategy's implementation.

Provisions on taking the county strategy into account in the preparation of the wellbeing services county's budget and financial plan are laid down in section 115. The strategy shall be reviewed at least once during the term of the county council.

## **Section 42**

### **Wellbeing services county management**

The wellbeing services county's activities shall be managed in accordance with the county strategy approved by the county council.

The county executive shall manage the wellbeing services county's activities, administration and finances.

The administration, financial management and other activities of a wellbeing services county shall be directed by a county chief executive, who operates as a subordinate to the county executive.

## **Section 43**

### **Duties of the county executive**

The county executive shall:

- 1) be responsible for the wellbeing services county's administration and financial management;
- 2) be responsible for the preparation and implementation of the county council's decisions and for overseeing the legality of these;
- 3) oversee the wellbeing services county's interests and, unless otherwise specified in the administrative regulations, represent the wellbeing services county and exercise its right to be heard;

- 4) represent the wellbeing services county as employer and be responsible for the county's personnel policy;
  - 5) be responsible for coordinating the wellbeing services county's activities;
  - 6) be responsible for the ownership policy of the wellbeing services county corporation and for the guidance and monitoring of other providers of services that the wellbeing services county is responsible for organising;
  - 7) see to the arrangement of the wellbeing services county's internal control and risk management;
  - 8) see to the arrangement of the wellbeing services county's internal audit.
- Provisions on the county executive's tasks in the ownership policy and oversight of the wellbeing services county corporation are laid down in section 50.

#### **Section 44**

##### **Chairperson of the county executive**

The chairperson of the county executive shall manage the political collaboration required for the county executive's duties to be carried out. Provisions on the other duties of county executive chairpersons shall be given in the administrative regulations.

#### **Section 45**

##### **County chief executive**

A county chief executive shall be elected by the county council. A county chief executive may be elected either for an indefinite or a fixed period and shall have a public-service employment relationship with the wellbeing services county.

If in the election of a county chief executive, no-one receives more than half of the votes cast, a new election shall be held between the two candidates who received the most votes. In this election the candidate chosen will be the one receiving the most votes.

The county chief executive is entitled to exercise the right to be heard on behalf of the county executive and to obtain information and view documents from county authorities, unless non-disclosure provisions require otherwise.

## **Section 46**

### **Management contract**

The wellbeing services county and the county chief executive shall conclude a management contract in which the requirements for managing the wellbeing services county are agreed. The management contract shall be subject to the approval of the county executive.

The management contract may include provisions on the division of responsibilities between the county chief executive and the chairperson of the county executive in managing the wellbeing services county. When including provisions on the division of responsibilities in the contract, the provisions of the administrative regulations must be taken into account.

The management contract may include provisions on the procedure by which disputes concerning management of the post of chief executive are to be resolved in place of the procedure laid down in section 47. In this case, the management contract may include, in addition to the procedure mentioned above, agreement on severance compensation payable to the chief executive.

## **Section 47**

### **Dismissal of the chief executive or transfer to other duties**

A county council may dismiss the county chief executive or transfer the chief executive to other duties if the chief executive no longer enjoys the confidence of the county council.

The matter shall be initiated at the proposal of the county executive or if at least a quarter of county councillors submit an initiative to this effect. When the matter is being prepared, the chief executive shall be notified of the basis for the loss of confidence and shall be given an opportunity to be heard.

The dismissal or the transfer to other duties requires that it is supported by two thirds of all the county councillors. The decision may be put into effect immediately. The chief executive may be relieved of the chief executive's duties at the same time.

## **Section 48**

### **Ownership policy**

Ownership policy refers to the measures with which the wellbeing services county as owner or as member contributes to the administration and operation of companies and other corporate entities.

Ownership policy may be connected with memorandums of association, provisions of articles of association, service provision agreements and other agreements, personnel appointments, issuing of instructions to persons representing the wellbeing services county in different corporate entities, other aspects of exercising the wellbeing services county's control and other similar matters.

## **Section 49**

### **Activities of wellbeing services county subsidiaries and corporate governance principles applying to the wellbeing services county corporation**

Ownership policy is used to ensure that the operations of county subsidiaries take into account the overall interests of the wellbeing services county corporation. Ownership policy ensures the equitable availability of services and the quality, effectiveness and cost-efficiency of services in the activities of the county subsidiaries. Furthermore, ownership policy ensures openness and communications as well as the realisation of the opportunity for service users and wellbeing services county residents to participate and exert influence.

The composition of the Board of Directors of a county subsidiary shall take into consideration the financial and business expertise required for the sector in which the corporate entity is operating.

The corporate governance principles applying to the wellbeing services county corporation shall apply to the ownership policy for county subsidiaries and, as applicable, for associated entities.

The corporate governance principles mentioned above shall include necessary provisions on at least the following:

- 1) the planning and control of the wellbeing services county corporation's finances and investments;
- 2) the arrangement of oversight of the wellbeing services county corporation and of reporting and risk management;
- 3) provision of information and securing the right to information of elected officials of the wellbeing services county;
- 4) the obligation to obtain the views of the wellbeing services county in a matter prior to decision-making;
- 5) the internal services of the wellbeing services county corporation;
- 6) the composition and appointment of county subsidiaries' Boards of Directors;
- 7) good administrative and management practices for county subsidiaries;
- 8) the contingency planning and emergency preparedness of the wellbeing services county corporation and their coordination in the county corporation.

## **Section 50**

### **Wellbeing services county corporation management**

The wellbeing services county corporation management shall comprise the county executive, the county chief executive and other authorities specified in the administrative regulations. The administrative regulations shall include provisions on the duties of the wellbeing services county corporation management and on the division of powers.

The wellbeing services county corporation management shall be responsible for implementing ownership policy in the county corporation and for arranging oversight of the county corporation, unless otherwise specified in the administrative regulations.

**Section 51****Internal audit**

The county executive shall arrange independent internal audit for the wellbeing services county.

**Chapter 8****Cooperation between wellbeing services counties****Section 52****Forms of cooperation**

Wellbeing services counties may perform their functions jointly by making an agreement to this effect.

Forms of intercounty cooperation governed by public law are joint decision-making bodies, joint public posts, agreements on managing official duties and joint county authorities for wellbeing services.

**Section 53****Relationship between cooperation and the Act on Public Procurement and Concession Contracts**

If a wellbeing services county agrees on the transfer to another wellbeing services county of the responsibility for organising services for a function prescribed for wellbeing services counties by law, the Act on Public Procurement and Concession Contracts (1397/2016), hereinafter the *Procurement Act*, shall not apply to the transfer.

Wellbeing services counties may provide services in cooperation if cooperation is governed by law or if it is a question of procurement from an in-house entity of a contracting entity as referred to in section 15 of the Procurement Act or procurement from another contracting entity as referred to in section 16.

**Section 54****Joint decision-making body**

A wellbeing services county may carry out a function on behalf of one or more other wellbeing services counties and these wellbeing services counties shall have a joint decision-making body responsible for managing the function.

The wellbeing services counties may agree that the wellbeing services counties other than the one carrying out the function shall elect a proportion of the members of the joint decision-making body.

**Section 55****Agreement on a joint decision-making body**

An agreement on a joint decision-making body shall cover at least the following:

- 1) the functions of the joint decision-making body and, if necessary, the transfer of the responsibility for organising services;
- 2) the composition of the joint decision-making body and the right of the wellbeing services counties other than the one carrying out the function to elect members to the decision-making body;
- 3) the cost principles and division of costs;
- 4) the validity period and termination of the agreement.

**Section 56****Joint public posts**

Wellbeing services counties may establish joint public posts by taking corresponding decisions to this effect. The holder of the joint public post shall have a public-service employment relationship with all the wellbeing services counties in question.

The wellbeing services counties in the arrangement shall agree on which wellbeing services county is to be responsible for seeing to the employer's obligations and on the cost principles and division of costs regarding the joint public post.

## **Section 57**

### **Agreement on managing official duties**

A function allotted by law to wellbeing services counties or their authorities in which power may be delegated to an official may, by agreement, be assigned to an official in another wellbeing services county to manage.

The agreement shall include the necessary provisions on the function's content, monitoring the performance of the function, the function cost principles and division of costs, and the validity period and termination of the agreement.

## **Section 58**

### **Joint county authority for wellbeing services**

A joint county authority for wellbeing services shall be established by an agreement between the counties concerned that has been approved by their county councils (charter). The official Finnish and Swedish names of the joint county authority shall include the words 'hyvinvointiyhtymä' and 'välfärdssammanslutning', respectively (meaning 'joint county authority for wellbeing services').

A joint county authority is a legal person that can acquire rights and make commitments and exercise the right to be heard in courts of law and by other public authorities.

The tasks of the joint county authority may only include tasks associated with the provision of support services for duties belonging to its member counties' area of responsibility.

The responsibility for organising services may not be transferred to the joint county authority.

**Section 59****Agreement establishing a joint county authority for wellbeing services (charter)**

A charter shall include agreement on at least the following:

- 1) the joint county authority's name and domicile and the wellbeing services counties that are its members;
- 2) the functions of the joint county authority;
- 3) the number of representatives in the joint county authority's general assembly or members of the joint county authority council and the basis for voting rights;
- 4) the other decision-making bodies of the joint county authority and their functions, power of decision and method by which they are convened;
- 5) which joint county authority decision-making body will oversee the interests of the joint county authority, represent it and enter into agreements on its behalf;
- 6) the member counties' share of the joint county authority's basic capital and assets, their responsibility for its debts, and other matters concerning the finances of the joint county authority;
- 7) the auditing of the joint county authority's administration and finances;
- 8) the position of any member wellbeing services county resigning from the joint county authority and of the member wellbeing services counties continuing to operate;
- 9) how the joint county authority would be dissolved and its affairs wound up;
- 10) the system for monitoring the finances and activities, and reporting to the wellbeing services counties that are members of the joint county authority.

A charter may also include agreement that a qualified majority is required for taking decisions in certain matters specified in the charter.

**Section 60****Amending a charter**

Unless otherwise agreed in the charter, a charter may be amended if this is supported by at least two thirds of the member counties and their population total represents at least half of the combined population of all the member counties.

**Section 61****Decision-making bodies of joint county authorities**

A joint county authority's power of decision shall be exercised by the joint county authority council or the general assembly.

A joint county authority may also have other decision-making bodies agreed in the charter.

A charter may include agreement that the composition of the joint county authority's decision-making bodies other than the joint county authority council and the general assembly shall be adjusted to correspond to the proportion of votes received within the joint county authority's area in county elections by the different groups represented on the county councils of the joint county authority's member counties, in accordance with the proportionality principle laid down in the Election Act.

**Section 62****Joint county authority council**

Joint county authority councils shall be subject to the provisions laid down on county councils.

The members of a joint county authority council shall be elected by the wellbeing services counties in the manner agreed in the charter.

**Section 63****General assembly**

If a joint county authority's power of decision is exercised by a general assembly, the assembly shall convene at least twice a year.

Each member county's county executive or other decision-making body as decided by its county council shall elect a general assembly representative separately for each meeting.

The general assembly's duties shall include the following:

- 1) decide on the budget and the financial plan of the joint county authority;
- 2) approve the administrative regulations of the joint county authority;
- 3) elect the decision-making bodies of the joint county authority;
- 4) determine the principles concerning the financial benefits of elected officials;
- 5) appoint the auditor; (1056/2024)
- 6) decide on approving the financial statements and granting discharge from liability.

Public access to the general assembly shall be subject to the provisions of section 106 on the openness of county council meetings. The provisions of section 102 on the disqualification of county councillors shall apply to the disqualification of general assembly representatives.

**Section 64****Financing of joint county authorities**

Financing of joint county authority expenditure that is not otherwise covered shall be the responsibility of the member counties in accordance with the division of responsibilities among them agreed in the charter.

**Section 65****Withdrawal from a joint county authority**

Wellbeing services counties may withdraw from a joint county authority. Unless otherwise agreed in the charter, withdrawal shall take place at the end of the calendar year following the withdrawal notification.

**Section 66****Mergers of joint county authorities**

Joint county authorities may merge by one or more joint county authorities merging with a receiving joint county authority established before the merger enters into force or the merging joint county authorities may form a new joint county authority. In a merger of joint county authorities, the merging joint county authority is dissolved without a liquidation procedure and its personnel, permits, assets, rights, liabilities and commitments are transferred to the receiving or new joint county authority when the merger enters into force.

The county councils of the member counties of the joint county authorities participating in a merger decide on the merger by approving the merger agreement. Joint county authorities participating in the merger means the merging joint county authority and the new and receiving joint county authority. The merger agreement shall set out the entry into force of the merger, the procedure to be used in the merger, the charter of the receiving or new joint county authority and the preparation of the new joint county authority's budget and financial plan. A provision in the merger agreement concerning the transfer of assets corresponds to a title deed to the assets.

The first budget and financial plan of the receiving or new joint county authority shall be approved in the receiving and merging joint county authorities. The last financial statements of the merging joint county authority shall be approved and discharge from liability granted in the receiving or new joint county authority.

**Section 67****Demergers of joint county authorities**

Joint county authorities may demerge either entirely or partially into two or more new joint county authorities that will carry on operations or into two or more receiving joint county authorities that were established before the demerger enters into force. When a joint county authority demerges, its personnel, permits, assets, rights, liabilities and commitments are transferred without a liquidation procedure to the joint county authority carrying on operations when the merger enters into force. The division of assets, liabilities and obligations between joint county authorities shall not jeopardise the position of creditors and other rights-holders. When a joint county authority demerges entirely, the joint county authority is dissolved without a liquidation procedure.

The county councils of the member counties of the joint county authorities participating in a demerger decide on the demerger by approving the demerger agreement. Joint county authorities participating in the demerger means the demerging joint county authority and the new joint county authority that will carry on operations and the receiving joint county authority. The demerger agreement shall set out at least the entry into force of the demerger, the procedure to be used in the demerger and the charters of the joint county authorities carrying on operations. It shall also set out provisions on the last financial statements of the demerging joint county authority and on the organisation of information and document management. A provision in the demerger agreement concerning the transfer to assets corresponds to a title deed to the assets.

The first budget and financial plan of the new joint county authority carrying on operations shall be approved in the demerging joint county authority. The last financial statements of the demerging joint county authority shall be approved and discharge from liability granted in the joint county authorities participating in the demerger.

**Section 68****Resolution of disputes arising from an agreement**

Disputes arising from agreements on cooperation shall be resolved as matters of administrative litigation in an administrative court. Provisions on the procedure in matters of administrative litigation are laid down in the Administrative Judicial Procedure Act (808/2019).

**Section 69****Application of provisions on wellbeing services counties with regard to a joint county authority**

Joint county authorities shall be subject to the provisions on wellbeing services counties laid down in sections 1, 4, 6, 11, 22, 26, 27, 29, 30 and 34, in chapter 6, in sections 43, 44, 48–50 and in chapters 10–16.

The provisions of section 39 on county councils shall apply to joint county authority councils and general assemblies. In a joint county authority with no joint county authority council, matters shall be initiated on the basis of a proposal by the joint county authority executive or by a member county.

The dismissal or transfer to other duties of the chief official of a joint county authority shall be subject to the provisions of section 47 on the dismissal or transfer to other duties of a county chief executive. For a decision to be valid, it must be supported by two thirds of the combined maximum number of votes of the member counties as set out in the charter.

Management contracts made between a joint county authority and the chief official of the joint county authority shall be subject to the provisions of section 46 on the management contract between a wellbeing services county and a county chief executive.

**Chapter 9****Unincorporated county enterprise****Section 70****Unincorporated county enterprises and their functions**

An unincorporated county enterprise may be established by a wellbeing services county for the purpose of conducting a task to be managed in accordance with business principles, unless otherwise provided hereafter. Establishing an unincorporated county enterprise requires a separately made decision.

The functions of an unincorporated county enterprise shall be specified in more detail in the administrative regulations.

An unincorporated county enterprise shall operate as part of the wellbeing services county.

## **Section 71**

### **Duties of the management boards of unincorporated county enterprises**

An unincorporated county enterprise shall have a management board, which shall guide and oversee the activities of the enterprise. The management board shall be responsible for appropriately arranging the enterprise's administration and operations and internal control and risk management. In addition, the management board ensures that the enterprise operates according to the operating and financial targets set by the wellbeing services county.

The management board shall:

- 1) decide on the development of the unincorporated county enterprise's operations within the limits of the operating and financial targets set by the county council and monitor and report on the achievement of these targets to the county council;
- 2) approve the unincorporated county enterprise's budget and financial plan by the end of the year in accordance with the binding targets set by the county council as well as the expenditure and income items;
- 3) draw up financial statements for the unincorporated county enterprise;
- 4) decide on the unincorporated county enterprise's capital expenditure and other long-term expenditures according to the investment plan of the wellbeing services county;
- 5) oversee the unincorporated county enterprise's interests and, unless otherwise specified in the administrative regulations, represent the wellbeing services county and exercise its right to be heard within the enterprise's area of responsibility.

Provisions on the other duties of the management board of the unincorporated county enterprise shall be given in the administrative regulations.

## **Section 72**

### **Director of the unincorporated county enterprise**

An unincorporated county enterprise shall have a director, who shall be in a public-service employment relationship with the wellbeing services county. The director shall manage and develop the operations of the enterprise in a role subordinate to the management board.

The decision on the appointment to the post of the director of the unincorporated county enterprise shall be made by the county council, unless otherwise specified in the administrative regulations.

The director is entitled to exercise the right to be heard on behalf of the management board, unless otherwise specified in the administrative regulations.

## **Section 73**

### **Finances of unincorporated county enterprises**

The finances of unincorporated county enterprises shall be governed by the provisions concerning county finances, but in such a way that:

- 1) the budget and financial plan of an unincorporated county enterprise shall be drawn up as a separate part of the wellbeing services county's budget and financial plan;
- 2) the accounting of an unincorporated county enterprise shall be differentiated in the wellbeing services county's accounting;
- 3) separate financial statements for the accounting period shall be drawn up on the activities of an unincorporated county enterprise and submitted for inspection by the auditor and brought for consideration by the county executive; (1056/2024)

4) the financial statements of an unincorporated county enterprise shall be signed by the management board members and the director of the unincorporated county enterprise.

## **PART IV**

### **ELECTED OFFICIALS AND PERSONNEL**

#### **Chapter 10**

##### **Elected officials**

#### **Section 74**

##### **Elected officials of a wellbeing services county**

The elected officials of a wellbeing services county are county councillors and deputy councillors, the members elected to the decision-making bodies of the wellbeing services county, other persons elected to positions of trust in the wellbeing services county and the members elected by the wellbeing services county to the decision-making bodies of the joint county authority. However, where county officials and employees are elected as members of the wellbeing services county's decision-making body on the basis of their duties, they shall not be considered elected officials of the wellbeing services county.

Elected officials shall promote the interests of the wellbeing services county and its residents and act with dignity in their position of trust in a manner befitting the task.

The provisions concerning a wellbeing services county's elected officials shall apply to anyone elected by the wellbeing services county to a central government position of trust.

#### **Section 75**

##### **Consent to and resignation from a position of trust**

Only persons who have consented to take up the position may be elected to a position of trust. Only persons who have submitted written consent to take up the position of county councillor may be proposed as candidates for election to the county council.

Elected officials and persons standing as candidates for a position of trust other than that of county councillor shall, at the request of the county council or relevant decision-making body, present information on factors that may be of significance in assessing their eligibility for election.

A resignation from a position of trust may be made if there is a valid reason. The decision-making body that elected the official shall decide whether to accept the resignation. The county council shall decide whether to accept the resignation of county councillors and deputy councillors.

## **Section 76**

### **General eligibility for election**

Persons eligible for election to a position of trust in a wellbeing services county are those:

- 1) who are residents of the wellbeing services county in question;
- 2) who, in the year when county councillors are being elected or when an election is being held for some other position of trust, have the right to vote in county elections in a wellbeing services county; and
- 3) who have not been declared legally incompetent.

## **Section 77**

### **Eligibility for election to the county council**

The following are not eligible for election to the county council:

- 1) public servants in central government who perform supervisory tasks concerned directly with the wellbeing services county;
- 2) persons employed by the wellbeing services county who are in a position of leadership within an area of responsibility of the county executive or of a committee or in an unincorporated county enterprise, or in a comparable position of responsibility;

3) persons employed by a corporate entity or foundation under the control of the wellbeing services county who, in terms of their position, are comparable to persons employed by the wellbeing services county as referred to in paragraph 2;

4) in the case of county councils of member counties of a joint county authority, persons employed by the joint county authority who, in terms of their position, are comparable to persons employed by the wellbeing services county as referred to in paragraph 2.

However, persons in the employment relationships referred to above in subsection 1 are eligible for election as county councillors if this employment relationship ends before the county councillors' term begins.

## **Section 78**

### **Eligibility for election to the county executive**

Persons eligible for election to the county executive shall be those who are eligible for election to the county council, however, with the exception of:

1) persons employed by the wellbeing services county who are directly subordinate to the county executive;

2) persons employed by a corporate entity or foundation under the control of the wellbeing services county who work in a position comparable to the position referred to in paragraph 1;

3) persons employed by the wellbeing services county who, as presenting officer for a committee or otherwise, are responsible for preparatory work on matters considered by the county executive;

4) persons who are members of the Board of Directors or of a comparable decision-making body, or in a position of leadership and responsibility or a comparable position, in a corporate entity engaged in business activities or a foundation if decisions on matters normally dealt with by the county executive could well cause this entity substantial advantage or disadvantage.

The chairperson of the Board of Directors or of a comparable decision-making body of a corporate entity that oversees personnel interests in the wellbeing services county concerned shall not be

eligible for election to the county executive. Neither are persons eligible for election if, as negotiators for a corporate entity or in some other equivalent capacity, they are responsible for overseeing the interests of the entity.

A majority of the members of a county executive shall be persons other than employees of the wellbeing services county or of a corporate entity or foundation under the control of the wellbeing services county.

Subsection 1, paragraph 4 above does not apply to members of the Board of Directors, or of a comparable decision-making body, of a corporate entity under the control of the wellbeing services county.

## **Section 79**

### **Eligibility for election to other decision-making bodies**

Persons eligible for election to a committee shall be those who are eligible for election to the county council, however, with the exception of:

- 1) persons employed by the wellbeing services county who are subordinate to the committee in question;
- 2) persons employed by a corporate entity or foundation which is under the control of the wellbeing services county and operates within the area of responsibility of the committee in question;
- 3) persons who are members of the Board of Directors or of a comparable decision-making body, or in a position of leadership and responsibility or a comparable position, in a corporate entity engaged in business activities if decisions on matters normally dealt with by the committee in question could well cause this entity substantial advantage or disadvantage.

The provisions of section 78, subsection 2 shall apply to decision-making bodies that principally manage personnel matters.

Persons who are not eligible for election to the county executive or a committee or who are not residents of the wellbeing services county in question may be elected to a management board or a commission.

## **Section 80**

### **Eligibility for election to the county audit committee**

The following are not eligible for election to the county audit committee:

- 1) members of the county executive;
- 2) a person who is close to a county executive member or the county chief executive as referred to in section 28, subsections 2 and 3 of the Administrative Procedure Act;
- 3) persons employed by the wellbeing services county or a corporate entity or foundation under the control of the wellbeing services county or serving as the managing director or in a similar position in a corporate entity or foundation under the control of the wellbeing services county;
- 4) persons who are not eligible for election to the county executive.

## **Section 81**

### **Eligibility for election to decision-making bodies of joint county authorities**

Persons eligible for election to decision-making bodies of joint county authorities shall be those who, under section 76, are eligible for election to a position of trust in a member county of the joint county authority. However, persons referred to in section 77, subsection 1, paragraph 1 and persons in an employment relationship in the same joint county authority shall not be eligible for election.

Furthermore, persons who are members of the Board of Directors or of a comparable decision-making body, or in a position of leadership or responsibility or a comparable position, in a corporate entity engaged in business activities or a foundation shall not be eligible for election as members of other decision-making bodies than the joint county authority council or general

assembly of a joint county authority if decisions on matters normally dealt with by the decision-making body could well cause this entity substantial advantage or disadvantage.

However, persons who are not eligible for election to the joint county authority's other decision-making bodies or who are not residents of the wellbeing services county that is a member of the joint county authority may be elected to a management board or a commission.

## **Section 82**

### **Eligibility for election to the joint decision-making bodies of wellbeing services counties**

The members of a joint decision-making body of wellbeing services counties may be persons eligible for election to the corresponding decision-making body in the wellbeing services counties concerned.

## **Section 83**

### **Forfeiting eligibility for election**

If an elected official forfeits eligibility for election, the decision-making body that elected the official shall declare the position of trust to be terminated. In the case of county councillors, the decision shall be made by the county council. The decision shall take effect immediately.

By derogation from the provisions in sections 77–81, if an elected official is engaged temporarily for not more than six months in an employment relationship referred to in sections 77–81, the official will not forfeit eligibility for election to a decision-making body. However, the official may not attend to a position of trust for the duration of the employment relationship. (1056/2024)

## **Section 84**

### **Holding a position of trust**

Elected officials shall remain in their positions of trust for the period for which they were elected, and thereafter until another person is elected to the position. If a position of trust falls vacant before the end of the term, a new elected official shall be appointed for the rest of the term.

An elected official chosen for a position of trust must continue attending to this position until the matter has been finally resolved if:

- 1) a request for a judicial review is made concerning the election of the official;
- 2) a resignation has not been accepted; or
- 3) the county executive, by virtue of section 101, has not put the county council's election decision into effect.

## **Section 85**

### **Position of full-time and part-time elected officials**

Persons who have consented to take up the position may be elected to a full-time or part-time position of trust.

Full-time elected officials are entitled to leave of absence from their jobs for the duration of the full-time position of trust. If the full-time position of trust ends prematurely on account of forfeiture of eligibility for election or due to resignation, the person shall be entitled to discontinue the leave of absence by notifying the employer of this at the latest one month prior to returning to work.

In the case of leave of absence required in order to attend to a part-time position of trust, the elected official shall agree this with the employer. Unless there is an important work-related reason, the employer may not refuse to grant leave of absence for attending to a part-time position of trust. The employer shall, on request, provide a written explanation of the reasons for refusal.

The county council shall decide on the monthly pay and remuneration of full-time and part-time elected officials. Full-time and part-time elected officials have the right to annual leave, sick leave and family leave, as well as occupational health care services, on the same basis as county officials. The provisions of the Occupational Accidents, Injuries and Diseases Act (459/2015) concerning the employer, and the employee shall apply correspondingly to wellbeing services counties and both full-time and part-time elected officials.

**Section 86****Right of elected officials to a leave of absence to attend to a position of trust**

A wellbeing services county's elected officials are entitled to a leave of absence to attend meetings of the wellbeing services county's decision-making body. The employer may, however, refuse to grant leave of absence if the information about the necessary leave of absence was not provided to the employer at least 14 days prior to the meeting date and the employer has an important work-related reason for the refusal. The employer shall, on request, provide a written explanation of the reasons for refusal.

Where a leave of absence is required in order to attend to a position of trust specified by the wellbeing services county other than that referred to in subsection 1, or in order to participate in a county council group meeting, the elected official shall agree this with the employer.

Elected officials shall notify their employer of the meeting dates of the decision-making body and county council group, and of positions of trust specified by the wellbeing services county as soon as they become aware of them.

**Section 87****Remuneration and compensation**

Elected officials shall be paid:

- 1) meeting fees;
- 2) compensation for loss of earnings and for costs incurred in engaging a substitute, arranging child care or for other similar reasons arising from the position of trust;
- 3) compensation for travel costs and a per diem allowance.

Elected officials may also be paid a fee for a fixed period and other separate fees. On the basis of authorisation received from an elected official, the wellbeing services county may collect the

elected officials charge referred to in section 31, subsection 1, paragraph 5 of the Income Tax Act (1535/1992) from the fees paid to the official, and then disburse this to the party or party association. The sum of these charges collected shall be notified in the wellbeing services county's financial statements.

## **Section 88**

### **Right to information**

Elected officials have the right to obtain information from wellbeing services county authorities where they consider this information necessary for their work and it has not yet entered the public domain under sections 6 and 7 of the Act on the Openness of Government Activities (621/1999), unless non-disclosure provisions require otherwise.

Elected officials have the right to obtain from the wellbeing services county's county corporation management information that has been entrusted to it concerning the activities of county subsidiaries, unless non-disclosure provisions require otherwise.

## **Section 89**

### **Declaration of private interests**

A wellbeing services county's elected officials and county officials referred to in subsection 2 below shall submit a declaration of private interests concerning their managerial duties and positions of trust in enterprises engaged in business activities and in other corporate entities, about their significant assets and about other private interests that could be of significance in attending to a position of trust or in public posts.

The obligation to declare private interests applies to members of the county executive, the chairpersons and deputy chairpersons of the county council and committees, the county chief executive and presenting officers for the county executive and committees. The declaration shall be made within two months of the person being elected to the position. The person shall also declare without delay any changes that occur regarding private interests.

Declarations of private interests shall be submitted to the county audit committee, which shall oversee compliance with the obligation to declare and shall forward the declarations to the county council for its information. The county audit committee may, if necessary, urge persons who are obliged to declare to submit a new declaration or to augment the information in a declaration already made.

Wellbeing services counties shall maintain a register of private interests in a public information network on the wellbeing services county's website, unless non-disclosure provisions require otherwise. In the register, information can be searched only with separate individual searches. When the position of trust or the task to which the obligation to declare relates comes to an end, the information about the person shall be removed from the register and from the information network.

## **Section 90**

### **Wrongful acts in a position of trust**

Elected officials shall be governed by the provisions on criminal liability for acts in office when they perform the duties referred to in this Act. Provisions on liability for damages are laid down in the Tort Liability Act (412/1974).

If there is cause to suspect that an elected official has, in a position of trust, committed an offence in public office or otherwise acted contrary to the elected official's obligations, the county executive shall demand an explanation from the party in question and, if necessary, notify the county council of the matter. If an offence in public office has manifestly been committed, the offence shall be reported without delay.

The county council may suspend an elected official for the duration of the investigation or court proceedings unless the person has resigned from the position of trust. Before the county council meets, the county council's chairperson may make an interim decision concerning suspension. A suspension decision may be put into effect immediately.

The county council shall suspend an elected official from the position of trust for the duration of the investigation or court proceedings concerning a suspected offence in public office if this is necessary to safeguard the credibility and reliability of county decision making taking into

consideration the seriousness and possible repeated nature of the suspected offence as well as other factors. A suspension decision may be put into effect immediately.

When preparing a decision in accordance with subsection 3 or 4, the county authority shall have the right to receive the notice of the initiation of a criminal investigation referred to in chapter 3, section 6 of the Criminal Investigation Act (805/2011) relating to an offence in public office suspected to have been committed by an elected official.

## **Section 91**

### **Criminal acts outside a position of trust**

If an elected official is charged with a crime where the nature of the crime or the way in which it was perpetrated suggest that the official cannot attend to the position of trust in the required manner, the county council may suspend the elected official for the duration of the court proceedings. A suspension decision may be put into effect immediately.

If an elected official is sentenced to imprisonment for at least six months under a final judgment after being elected, the county council may remove the elected official from the position of trust. The decision shall take effect immediately.

## **Chapter 11**

### **Personnel**

## **Section 92**

### **Wellbeing services county personnel**

The personnel employed by wellbeing services counties shall have a public-service employment relationship or a contractual employment relationship with the wellbeing services county. Separate provisions are laid down on public-service employment relationships and contractual employment relationships as well as on collective agreement for public officials and other employees in wellbeing services counties.

Tasks in which public authority is exercised shall be performed in a public-service employment relationship. Public posts shall be established for these types of tasks. However, if there is a justifiable reason, a person may be engaged in a public-service employment relationship for such a task without a public post being established for this.

### **Section 93**

#### **Establishing and discontinuing public posts**

The establishment or discontinuation of public posts shall be decided by the county council or by another decision-making body specified in the administrative regulations of the wellbeing services county.

If a public post in which public authority is not exercised becomes vacant, it shall be discontinued.

### **Section 94**

#### **Conversion of a public post into a contractual employment relationship**

The employer can decide to convert a public-service employment relationship into a contractual employment relationship if the duties of the public post do not involve the exercise of public authority and the employer has offered the official work in a contractual employment relationship under at least the previous employment relationship terms and conditions and has provided the official with a written explanation of the main terms and conditions of work as referred to in chapter 2, section 4 of the Employment Contracts Act (55/2001). Once the decision is legally valid, the public-service employment relationship will become a contractual employment relationship in accordance with the employer's offer.

## **Chapter 12**

### **Decision-making and administrative procedure**

### **Section 95**

#### **Administrative regulations**

The administrative regulations shall contain the necessary stipulations on at least:

1) the following matters concerning the arrangement of administration and activities:

a) decision-making bodies and management;

b) duties of chairperson of the county executive;

c) the personnel organisation;

d) financial management;

e) auditing of administration and finances;

f) internal control, risk management and contract management;

2) the following matters concerning decision-making and administrative procedure:

a) delegation of powers;

b) convening of decision-making bodies;

c) calling in deputy members;

d) duties of chairpersons of decision-making bodies;

e) temporary chairpersons of meetings;

f) presence of a county executive representative and the county chief executive and their right to speak at meetings of other decision-making bodies;

g) presence of persons other than members at meetings of decision-making bodies and their right to speak;

h) decision-making methods of decision-making bodies and how wellbeing services counties can ensure that the technical equipment and connections necessary for participation in electronic meetings and in electronic decision-making procedure are available;

i) presentation procedure;

j) drafting, examining and giving notification of minutes;

k) signing of documents;

l) arranging information management and document management;

m) payments collected for documents or provision of information;

n) handling of initiatives referred to in section 30 and the information to be given to those who submitted the initiative;

o) principles of communication;

p) procedure when a matter is taken for consideration by a higher decision-making body;

3) the following matters concerning the activities of the county council:

a) county council meeting procedure;

b) calling in a deputy councillor to replace a county councillor;

c) handling initiatives from county councillors;

d) county council groups formed for county councillors to conduct council business;

e) participating in meetings and sending invitations to meetings by electronic means;

f) the length of time a county councillor may speak on individual matters if this is necessary to ensure the progress of meetings.

In addition, the administrative regulations shall contain the necessary provisions to ensure that the linguistic rights provided in the Language Act (423/2003) and elsewhere in the law are secured in the wellbeing services county's administration.

A wellbeing services county that maintains a university hospital referred to in section 34 of the Act on Organising Healthcare and Social Welfare Services may specify in the administrative regulations that a university that provides education in medicine and operates in the area of the wellbeing services county shall appoint at the maximum two representatives and personal deputies for them to a decision-making body of the wellbeing services county, excluding the county council and the county audit committee.

In addition to the provisions in subsection 1, the administrative regulations shall contain the necessary provisions on the organisation of administration and operations, decision-making and administrative procedures and on the functioning of the county council in emergency conditions and during incidents under normal conditions. (200/2023)

## **Section 96**

### **Delegation of powers**

The county council may, in its administrative regulations, delegate powers to other decision-making bodies, elected officials and other officials of the wellbeing services county. However, powers may not be delegated in matters on which the county council is required to take a decision under a specific provision of this Act or elsewhere in the law.

The county council may, in its administrative regulations, grant to another authority of the wellbeing services county as referred to in subsection 1 the right to further transfer powers delegated to it. Powers delegated in this way may not be further delegated.

**Section 97****Referring matters for consideration by a higher decision-making body**

The county executive, the chairperson of the county executive, the county chief executive and any county officials specified in the administrative regulations may take for consideration by the county executive any matters that have been transferred under this Act to the jurisdiction of an authority subordinate to the county executive or of a sub-committee of the county executive and on which the authority in question has made a decision.

The administrative regulations may stipulate that the right referred to in subsection 1 shall correspondingly apply to committees, their chairpersons or any county officials specified in the administrative regulations in matters transferred to the jurisdiction of an authority subordinate to the relevant committee or of a sub-committee of the committee, unless the county executive, the chairperson of the county executive, the county chief executive or a county official specified in the administrative regulations has stated that the matter is to be taken for consideration by the county executive.

The administrative regulations may stipulate that a management board of an unincorporated county enterprise, its chairperson or a county official may take for consideration by the enterprise's management board a matter that has been transferred under this Act to the jurisdiction of an authority subordinate to the enterprise's management board and on which the authority in question has made a decision. A matter cannot therefore be taken for consideration by a committee to which the enterprise's management board is subordinate. If it has been decided to take the matter for consideration by both the enterprise's management board and the county executive, the matter shall be considered by the county executive.

Matters shall be taken for consideration by a higher decision-making body by the deadline within which a request for an administrative review referred to in section 139 is required to be made.

The following may not, however, be taken for consideration by a higher decision-making body:

- 1) matters concerning permit, notification or supervision procedures laid down in an act or decree;
- 2) healthcare or social welfare matters concerning individuals;

3) matters transferred to a joint decision-making body of wellbeing services counties referred to in section 54 if so agreed by the wellbeing services counties in question.

## **Section 98**

### **Preparation of county council matters**

The county executive shall prepare matters that are to be considered by the county council, with the exception of matters that concern the internal organisation of the county council's activities or that are prepared by a council ad hoc committee referred to in section 40 or by the county audit committee referred to in section 125.

## **Section 99**

### **Convening the county council**

The county council shall convene at times determined by itself and also whenever the council chairperson considers this necessary.

The county council shall also be convened if so requested by the county executive or by at least a quarter of county councillors for the purpose of considering a stated matter. Such matters shall be prepared urgently.

The county council shall be convened by the chairperson. The meeting notice for the first meeting of the county council shall be issued by the chairperson of the county executive and the meeting shall be opened by the eldest county councillor present, who shall direct the proceedings until the chairperson and deputy chairpersons of the county council have been elected. The meeting notice shall declare the matters to be dealt with.

The meeting notice shall be sent at the latest four days before the meeting. At the same time, information about the meeting shall be provided in a public information network on the wellbeing services county's website. Meeting notices may be sent by electronic means if the wellbeing services county ensures that the technical equipment and connections needed for this are available.

**Section 100****Matters dealt with by the county council**

The county council may deal with matters mentioned in the meeting notice and which have been prepared in the manner referred to in section 98.

If a matter is urgent but was not mentioned in the meeting notice, the county council can still decide to consider this matter. If a matter has not been prepared, the decision to consider it must be made unanimously.

**Section 101****Overseeing the legality of county council decisions**

If the county executive deems that a county council decision was made out of sequence, that the county council has exceeded its authority or that a decision is otherwise unlawful, the county executive shall not put the decision into effect. The matter shall then be brought for reconsideration by the county council without delay.

**Section 102****Disqualification**

A county councillor shall be disqualified from considering in the county council any matter that concerns the councillor personally or a person close to the councillor referred to in section 28, subsections 2–3 of the Administrative Procedure Act. If a county councillor gets involved in the consideration of a matter in another decision-making body, the county councillor shall be subject to the disqualification provisions concerning members of that decision-making body.

Provisions on the disqualification of other elected officials, auditors and the wellbeing services county's officials and employees are laid down in sections 27–30 of the Administrative Procedure Act.

An employment relationship with the wellbeing services county as referred to in section 28, subsection 1, paragraph 4 of the Administrative Procedure Act shall not, however, disqualify elected officials, county officials or employees in matters in which the wellbeing services county is an interested party. However, if on the basis of an elected official's employment relationship, the elected official has presented a matter or otherwise dealt similarly with a matter, the elected official shall be disqualified.

Section 28, subsection 1, paragraph 5 of the Administrative Procedure Act does not apply to the elected officials, other officials or employees of a wellbeing services county, even when these persons are in a position referred to in said section of the Act in an unincorporated county enterprise or joint county authority. However, disqualification does apply if the interests of the wellbeing services county are in conflict with those of the enterprise or the joint county authority or the impartial consideration of a matter requires that the person does not take part in such consideration. Nor shall section 28, subsection 1, paragraph 6 of the Administrative Procedure Act apply to wellbeing services counties.

Persons who are subject to disqualification in a matter shall declare this. Persons shall also, at the request of a decision-making body, present information on factors that may be of significance in assessing grounds for their disqualification.

## **Section 103**

### **Decision-making methods of decision-making bodies**

Matters pertaining to a decision-making body may be decided at an actual meeting, at a meeting taking place in an electronic environment (an electronic meeting) or by electronic means prior to a meeting (electronic decision-making procedure).

At electronic meetings and in the electronic decision-making procedure, the wellbeing services county shall take care of information security and ensure that non-disclosable information is not accessible by outsiders.

**Section 104****Electronic meetings**

Electronic meetings may be held using a video conferencing or another suitable technical data transmission method that:

- 1) enables the chairperson and secretary of the meeting to reliably ascertain the participants in the meeting;
- 2) enables the chairperson of the meeting to lead the meeting in the manner referred to in section 107;
- 3) enables the participants to follow the course of the meeting and participate in the deliberations.

**Section 105****Electronic decision-making procedure**

With the exception of public meetings of the county council and of other decision-making bodies, the decision-making of decision-making bodies may take place in a closed electronic decision-making procedure.

The matters to be considered shall be specified in the meeting notice and the time by which the matter is to be considered in the electronic decision-making procedure shall be stated. The consideration of the matter is completed when all the members of the decision-making body have expressed their view on the matter and the consideration deadline has expired. A matter is transferred for consideration at a meeting if one or more members so require or have not expressed their view.

The official record of the decisions made in the electronic decision-making procedure may be examined before the meeting.

**Section 106****Openness of meetings**

County council meetings shall be open to public access unless the meeting deals with a matter or document that is required by law to not be disclosed or unless the county council, for an important reason, decides otherwise in some matter.

Documents presented at a closed meeting of a county council and documents drawn up on the discussions at such a session shall not be disclosed if the law so provides.

Meetings of decision-making bodies other than the county council shall be open to public access only if the meeting is not considering a matter or document that is required by law to not be disclosed and the decision-making body so decides.

The general public shall be able to follow a meeting of a decision-making body that is open to public access, including any participation occurring by electronic means.

**Section 107****Chairing of meetings and addressing meetings**

At meetings of a decision-making body, the chairperson shall direct the handling of matters and ensure that order is maintained. If a person present at a meeting behaves in a way that disrupts the course of the meeting, the chairperson shall urge the person to behave in an appropriate manner. If the person does not comply, the chairperson may order the person to leave. If disorder ensues, the chairperson shall suspend or close the meeting.

Members of the decision-making body have the right to speak on matters that are being discussed. When speaking, members shall adhere to the matter in question. If the member diverges from the matter when speaking, the chairperson shall urge the speaker to return to the matter in question. If the speaker does not comply, the chairperson may forbid the speaker from continuing to speak. If a speaker speaks in a protracted and manifestly needless manner, the chairperson may, after first calling attention to this, forbid the speaker from continuing to speak.

**Section 108****Quorum**

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

A decision-making body other than the county council is quorate when more than half its members are present.

Those present are also considered to include members of the decision-making body who are participating in the meeting by electronic means.

**Section 109****Voting**

If a decision-making body is unanimous on a matter or if a counter-proposal is not supported, the chairperson shall declare the decision. Otherwise, the chairperson shall announce which proposals will not be voted on because of lack of support and which proposals will be voted on. The chairperson shall propose a method of voting for approval by the decision-making body and, if several votes are to be taken, the order of voting, and shall propose a voting scheme whereby a vote 'for' or 'against' will express the voter's position on the proposal.

Voting shall be conducted openly. The decision shall be the proposal receiving the most votes, or in the event of a tie, the proposal that was supported by the chairperson.

**Section 110****Elections**

In elections, the person or persons receiving the most votes shall be elected. Elections of elected officials shall be proportional if so demanded by at least a minimum number of the members of the decision-making body present, this minimum being obtained by dividing the total number of members present by the number being elected plus one. If the quotient is not a whole number, it shall be increased to the next whole number.

Deputy members shall be elected in the same election as members. Where deputy members are personal deputies, the candidates shall be approved before the election and the candidates shall comprise both the member and the deputy member. If deputy members are not personal deputies, those elected as deputy members shall be the candidates gaining the most votes after those elected as members or the candidates with the highest comparative index.

When a proportional election is held, the provisions of the Election Act on county elections shall apply. The county council may also issue regulations on the holding of elections. Proportional elections, and also elections by majority if required, shall be by secret ballot. In the event of a tie, the election shall be decided by lot.

In electronic meetings, an election may be held by secret ballot only if voting secrecy is secured.

## **Section 111**

### **Dissenting opinions**

Persons participating in decision-making who have made a counter-proposal or voted against a decision, and the presenting officer on the matter if the decision diverges from that proposed, shall be entitled to declare a dissenting opinion. This shall be declared as soon as the decision is taken. Written justifications presented before examination of the minutes shall be attached to the minutes.

Persons voting against a decision or declaring a dissenting opinion shall not be responsible for the decision. Presenting officers are responsible for the decisions made on the basis of their presentations, unless they have declared a dissenting opinion.

## **Section 112**

### **Minutes**

Minutes shall be taken at meetings of decision-making bodies.

An official record shall be made of decisions taken by elected officials and other officials, unless the nature of the decision renders this unnecessary.

**Section 113****Wellbeing services county announcements**

Wellbeing services county announcements shall be issued by publishing them in a public information network on the wellbeing services county's website, unless non-disclosure provisions require otherwise, and, if necessary, in some other manner decided by the wellbeing services county.

The announcements shall remain in a public information network for 14 days, unless the nature of the matter requires otherwise. Any personal data contained in the announcements shall be removed from the information network at the end of the aforementioned period.

**Section 114****Availability of information in a public information network**

The essential information about the services organised by a wellbeing services county and about the wellbeing services county's activities shall be published in a public information network on the wellbeing services county's website. At least the following shall be available in a public information network:

- 1) strategy for the wellbeing services county;
- 2) administrative regulations;
- 3) budget and financial plan;
- 4) financial statements;
- 5) county audit committee's assessment report;
- 6) auditors' report;

- 7) agreements on cooperation between wellbeing services counties;
- 8) corporate governance principles applying to the wellbeing services county corporation;
- 9) declarations of private interests of elected officials and other officials;
- 10) information about the principles applying to fees and compensation of elected officials;
- 11) information about payments charged for services.

## **Chapter 13**

### **Finances**

#### **Section 115**

##### **Budget and financial plan**

By the end of each year, the county council shall approve a budget for the wellbeing services county for the next calendar year, taking into account the financial responsibilities and obligations of the wellbeing services county corporation. In connection with the budget approval, the county council shall also approve a financial plan for three or more years. The budget year shall be the first year of the financial plan.

The financial plan shall be drawn up so as that it will be in balance or in surplus at the latest at the end of the second year following the budget year. The balance of the financial plan may take into account the estimated surplus in the balance sheet of the year the budget was drafted. A deficit on the wellbeing services county's balance sheet shall be covered within no more than two years from the start of the year following the adoption of the financial statements. Any deficit accrued during the year the budget was drafted or thereafter shall also be covered within this time limit. The operating and financial targets of the wellbeing services county and the wellbeing services county corporation shall be approved in the financial plan. The targets must implement the strategy for the wellbeing services county.

The budget shall include the appropriations and revenue estimates required to fulfil the duties and meet the operating targets. It shall also indicate how the financing requirement will be covered.

The financing requirement may not be covered with a long-term loan. However, a wellbeing services county may take out a long-term loan for an investment if the Government has authorised this in accordance with section 15. The appropriations and the revenue estimates may be stated in gross or net terms.

Budgets and financial plans have a section covering operational finances and an income statement as well as a section on investment and financing. In addition to the investments of the wellbeing services county corporation, the investment section must include the most operationally and financially significant investments of the county corporation and the investment section must be based on the investment plan referred to in section 16, approved by competent ministries, as separately provided by law.

The budget shall be adhered to in the wellbeing services county's activities and financial management.

## **Section 116**

### **Accounting**

Wellbeing services counties are subject to the accounting obligation. In addition to the provisions of this Act, the provisions of the Accounting Act shall be applied to the accounting and financial statements of a wellbeing services county. However, chapter 4, section 5, subsections 2 and 3; chapter 5 sections 2a, 2b, 4, 5b and 17; and chapter 7a of the Accounting Act shall not be applied in the preparation of the financial statements of a wellbeing services county.

Further provisions on the balance sheet, income statement and cash flow statement, with appended notes, that comprise the wellbeing services county's financial statements and on the budget review and management report, consolidated financial statements, with appended notes, and interim reports may be issued by government decree. In addition, provisions on service-specific financial information may be issued by government decree.

In addition to the provisions of chapter 8, section 1 of the Accounting Act, the wellbeing services county and municipal sub-committee of the Finnish Accounting Board issues instructions and opinions on the application of the decree issued under subsection 2 of this section and on the application of sections 116–119 of this Act.

**Section 117****Financial statements**

The accounting period for wellbeing services counties shall be the calendar year. The county executive shall prepare financial statements for the accounting period by the end of March of the year following that accounting period and submit these to the auditor for auditing. The auditor shall audit the financial statements by the end of May. After the audit, the county executive shall submit the financial statements for consideration by the county council. The county council shall consider the financial statements before the end of June. (1056/2024)

The financial statements comprise a balance sheet, income statement and cash flow statement, with appended notes, and a budget review and management report.

The financial statements shall provide a true and fair view of the wellbeing services county's financial result, financial position, financing and activities. Additional information necessary for this purpose shall be reported in the notes appended to the financial statements.

The financial statements shall be signed by the members of the county executive and the county chief executive.

**Section 118****Consolidated financial statements**

Wellbeing services counties which with their subsidiaries constitute a wellbeing services county corporation shall draw up consolidated financial statements and include these in the wellbeing services county's financial statements. The consolidated financial statements shall be drawn up on the same date as the wellbeing services county's financial statements.

The consolidated financial statements shall combine the balance sheets and income statements and appended notes of the wellbeing services county corporation's constituent entities. The consolidated financial statements shall also include the consolidated cash flow statement, which

shall contain information on the county corporation's acquisition and use of assets during the accounting period.

The financial statements of a joint county authority and the financial statements of a company under the joint control of wellbeing services counties or under the joint control of a wellbeing services county and a joint county authority shall be consolidated into the consolidated financial statements of the wellbeing services county. The provisions above in this subsection shall also apply to a company under the joint control of wellbeing services counties and municipalities and a company under the joint control of wellbeing services counties and central government. A wellbeing services county which has no subsidiaries but is a member in a joint county authority or is a shareholder of a company referred to above in this section shall include in its financial statements information that corresponds to that of consolidated financial statements.

## **Section 119**

### **Management report**

The management report shall give an account of the extent to which the operating and financial targets set by the county council have been achieved in the wellbeing services county and the wellbeing services county corporation. The management report shall also provide information on any important matters connected with the finances of the wellbeing services county and the county corporation that are not evident from their balance sheets, income statements or cash flow statements. Such matters include at least an assessment of the most significant risks and uncertainties, the likely future outlook and information on the arrangements for internal control, internal audit and risk management and the main conclusions. (1056/2024)

The management report shall present an explanation of the extent to which the finances were balanced in the accounting period and of the adequacy of the current financial plan for balancing the finances. In addition, an account shall be given the additions of long-term loans taken out by the wellbeing services county and the investments made by the wellbeing services county.

**Section 120****Monitoring of the operation, finances and service provision of a wellbeing services county, and production of information**

A wellbeing services county shall produce information on the wellbeing services county's operations and finances for the steering, management and monitoring of the wellbeing services county's operations and finances.

Notwithstanding non-disclosure provisions, a wellbeing services county shall report the financial statements, interim reports and costs information referred to in section 116 and the financial information required to be reported regularly elsewhere in law or under an act to the State Treasury in a form required by interoperability. The wellbeing services county is responsible for the accuracy of the information it reports. Further provisions on the information to be produced and on the method and time of producing and reporting the information may be issued by government decree.

The Ministry of Finance is responsible for arranging the cooperation necessary for determining the detailed information content and technical specifications required for interoperability of the financial information referred to in subsection 2. Representatives of the wellbeing services counties and of ministries and other government agencies tasked by the legislation of their branch of government to determine the concepts and specifications to be used in the monitoring and reporting of county finances shall participate in the cooperation. On the basis of this cooperation, detailed provisions on the codesets, technical specifications and reporting entities to be applied to the reporting of information during the next accounting period will be issued annually by a decree of the Ministry of Finance.

Separate provisions are laid down on other sector-specific information to be produced for the monitoring, supervision and steering of a wellbeing services county's operations.

**Section 121****Duty of disclosure of subsidiaries and joint county authorities**

Wellbeing services county subsidiaries and joint county authorities as well as companies referred to in section 118, subsection 3 shall provide the county executive with the information necessary for

assessing the county corporation's financial position and for calculating the financial result of its activities.

## **Section 122**

### **Assessment procedure concerning wellbeing services counties**

By issuing a decision, the Ministry of Finance shall start, when the conditions referred to in section 123 are met or on the basis of the Ministry of Social Affairs and Health's initiative referred to in section 27 of the Act on Organising Healthcare and Social Welfare Services, an assessment procedure, in which central government and the wellbeing services county assess the wellbeing services county's financial preconditions and its performance ability related to organising healthcare and social welfare services and rescue services (assessment procedure concerning a wellbeing services county).

An assessment group shall be set up for the assessment procedure, with its members appointed by the Ministry of Finance, the Ministry of Social Affairs and Health, the Ministry of the Interior and the wellbeing services county. After hearing the views of the wellbeing services county, the Ministry of Finance shall appoint as the group's chairperson a person who is independent of the wellbeing services county and the ministry.

The assessment group shall formulate a proposal for the measures required to restore the finances of the wellbeing services county to a sound basis and to secure the preconditions for organising healthcare and social welfare services and rescue services. The assessment group shall also consider filing a proposal to change the wellbeing services county's boundaries referred to in section 6 of the Act on the Division into Counties and Regions. The county council shall consider the assessment group's proposed measures and inform the Ministry of Finance of its decision on them for the purpose of any further action. The budget and financial plan shall ensure the implementation of the county council's decisions regarding measures. The measures are reported in connection with the interim reports and financial statements each quarter as well as in the negotiations referred to in section 13a. An account of the implementation and sufficiency of measures taken during the accounting period shall be given in the management report. The wellbeing services county shall inform the Ministry of Finance of the account by the end of June of the year following the accounting period. (1056/2024)

Based on the assessment group's proposed measures and the decisions of the county council, the Ministry of Finance shall make a decision on appointing a person to look into redetermining the boundaries of the county in accordance with section 8 of the Act on the Division into Counties and Regions. The decision on the need for a report on redetermining the boundaries of the county may also be made without launching a new assessment procedure if the measures have not been implemented and the conditions laid down in subsection 123 or 1 are met. (1056/2024)

### **Section 123**

#### **Assessment procedure conditions related to wellbeing services county finances**

The Ministry of Finance may start an assessment procedure concerning a wellbeing services county if:

- 1) if the wellbeing services county has not covered the deficit on its balance sheet within the period laid down in section 115, subsection 2;
- 2) the ratio between the annual contribution margin and the depreciations in the consolidated income statement of the wellbeing services county is below 80 per cent for two consecutive accounting periods;
- 3) the computational loan coverage ratio in the consolidated financial statements is below 0.8 for two consecutive accounting periods; or
- 4) the wellbeing services county has been granted the budget authority for borrowing referred to in section 15, subsection 3 or additional financing referred to in section 11 of the Act on the Funding of Wellbeing Services Counties. (1056/2024)

The key figure limits referred to above in subsection 1 shall be calculated annually based on the consolidated financial statements data maintained by the State Treasury. The annual contribution margin referred to in subsection 1, paragraph 2 shall be calculated without additional financing granted on the basis of section 11 of the Act on the Funding of Wellbeing Services Counties. The computational loan coverage ratio in the consolidated financial statements referred to in subsection 1, paragraph 3 shall be calculated using a formula where interest income is added to the annual contribution margin of the consolidated income statement and the resulting amount is divided by

the amount of interest income and computational loan repayments. The computational loan repayments shall be arrived at by dividing the amount of loans on the consolidated balance sheet by ten.

## **Section 124**

### **Restricting the powers of wellbeing services county authorities in certain situations**

During the period which starts after the Ministry of Finance has made the decision on starting the assessment procedure concerning the wellbeing services county and which continues until a decision is made on not appointing a person to look into altering the county referred to in section 122, subsection 4 or until a decision is made on the proposal made by this person or for as long as the measures decided by the county council, referred to in section 122, subsection 3, continue, a county authority may make a decision which would have significant, long-term impacts on county finances or which would be contrary to the measures proposed by the assessment group referred to in section 122, only if the decision cannot be postponed due to absolute necessity and the urgency of the matter.

The wellbeing services county must inform the Ministry of Finance of the decisions referred to in subsection 1.

The Ministry of Finance has the right to submit a request for an administrative review, referred to in section 139, on grounds laid down in section 140, and a request for a judicial review of the decision of a county authority, referred to in section 140, regarding a county authority's decisions referred to in subsection 1. The Ministry of Finance's right to request a judicial review of an administrative court decision shall be subject to the provisions laid down in section 147.

## **Chapter 14**

### **Auditing administration and finances**

#### **Section 125**

##### **County audit committee**

The county council shall set up a county audit committee to arrange audits and assessments of administration and finances. The committee's chairperson and deputy chairperson shall be county councillors.

The county audit committee shall:

- 1) conduct preparatory work on matters for the decision of the county council concerning the audit of administration and finances;
- 2) assess the extent to which the operating and financial targets set by the county council have been achieved in the wellbeing services county and the wellbeing services county corporation and whether or not the activities are arranged in an effective and appropriate manner;
- 3) assess the extent to which the finances were balanced in the accounting period and the adequacy of the targets and measures set in the financial plan with regard to balancing the finances;
- 4) ensure that the auditing of the wellbeing services county and its subsidiaries is coordinated;
- 5) oversee compliance with the obligation to declare private interests as laid down in section 89 and submit the declarations to the county council;
- 6) draw up proposals for the county executive concerning provisions in the administrative regulations covering the committee's tasks and for the assessment and auditing budget.

The county executive may deviate from the county audit committee's proposals concerning provisions on the audit committee in the administrative regulations and on the budget if there is a

justifiable reason associated with coordinating the wellbeing services county's administrative regulations and the budget proposal.

The county audit committee shall draw up an assessment plan and submit to the county council an assessment report on each year, in which the assessment results shall be presented. The county council shall consider the assessment report in conjunction with the financial statements. The county audit committee may provide the county council with other documents regarding the assessment results if the committee deems this necessary.

The county executive shall provide the county council with a statement on the measures arising from the assessment report.

## **Section 126**

### **Audit**

For the audit of administration and finances, the county council shall appoint an audit firm, which shall appoint a chartered public finance auditor as the responsible auditor. When auditors carry out their tasks laid down in this Act, they shall be subject to provisions on criminal liability for acts in office. Provisions on an auditor's tort liability are laid down in the Act on Auditing Public Administration Entities and Public Finances (1142/2015).

The auditor appointed for a wellbeing services county's subsidiary shall be the wellbeing services county's audit firm, unless deviation from this would be justified on grounds related to arrangement of the audit.

An audit firm may, at any one time, be appointed to audit administration and finances for a period comprising no more than six accounting periods.

The audit firm and the responsible auditor it appoints shall be able to perform impartial and sufficiently extensive audits. If the preconditions for an impartial audit do not exist, the auditor shall refuse to accept the assignment or abandon it.

Persons who, under section 80, are not eligible for election to a county audit committee may not act as auditors.

**Section 127****Duties of the auditor**

The auditor shall audit the administration, accounting and financial statements for the respective accounting period by the end of May in accordance with the good auditing practice in public administration. The auditor shall examine whether:

- 1) the administration of the wellbeing services county has been carried out in accordance with the law and the decisions of the county council;
- 2) the wellbeing services county's financial statements and the associated consolidated financial statements and management report provide, in accordance with the provisions and regulations on the preparation of the financial statements and the management report, a true and fair view of the wellbeing services county's financial result, financial position, financing and activities;
- 3) the information provided about the basis of the wellbeing services county's financing is correct;
- 4) the internal control, internal audit and risk management of the wellbeing services county and oversight of the county corporation have been properly arranged.

The auditor shall follow any instructions issued by the county council or the county audit committee, unless these conflict with the law, the administrative regulations or the good auditing practice.

Any material irregularities found by the auditors shall be notified without delay in the audit records to be given to the county executive. The county audit committee shall be informed of the audit records.

**Section 128****The audit right of the National Audit Office of Finland**

The National Audit Office of Finland has the right to audit the legality, appropriateness and effectiveness of the operations and financial management of a wellbeing services county and of corporate entities under the joint control of the wellbeing services county and other wellbeing services counties, as far as funding received from the State is concerned. The audit shall be subject to the provisions of the Act on the National Audit Office of Finland (676/2000).

**Section 129****County audit committee's and auditors' right to information**

Notwithstanding non-disclosure provisions, a county audit committee has the right to obtain information and view documents from wellbeing services county authorities where it considers this necessary for the performance of assessment duties.

Notwithstanding non-disclosure provisions, the auditors have the right to obtain information and view documents from wellbeing services county authorities and from corporate entities and foundations forming part of a wellbeing services county corporation where the auditors consider this necessary for the performance of their duties.

**Section 130****Auditors' report and its consideration**

The auditors shall provide the county council with a report for the respective accounting period in which the results of the audit shall be presented. The report shall also state whether the financial statements can be approved and whether the members of the decision-making bodies and the parties liable to render accounts for the relevant areas of responsibility of the decision-making bodies can be discharged from liability.

If the auditors find that the wellbeing services county's administration and finances have been managed contrary to the law or to decisions of the county council, and the error or the damage

caused is not of a minor nature, the party liable to render accounts shall be admonished in the auditors' report. The county council may not be admonished.

The county audit committee shall procure from the party concerned an explanation regarding the admonishment made in the auditors' report and a statement from the county executive. The county council shall decide on any necessary action on the basis of the preparatory work by the county audit committee, the auditors' report and admonishments made in the report. When approving the financial statements, the county council shall decide whether to discharge from liability the parties liable to render accounts.

## **Chapter 15**

### **Wellbeing services county activities in a market environment**

#### **Section 131**

##### **Wellbeing services county activities in a competitive market environment**

When a wellbeing services county carries out functions referred to in section 6 in a competitive market environment, it shall assign these to a limited liability company, cooperative, association or foundation to perform (corporatisation obligation).

A wellbeing services county shall not carry out a function in a competitive market environment in at least the following cases:

- 1) if the county is providing, by law, services that form part of its own activities for the county's residents and for others for whom the county is required by law to organise services;
- 2) if the function is being carried out in the manner referred to in section 52 through cooperation on the basis of a cooperation obligation laid down by law or through pooling in the county on the basis of an obligation laid down by law, and the services are provided as part of the county's own activities for the area's residents and for others for whom the services are required to be organised by law;

3) if the function is being carried out through cooperation in the manner referred to in section 52 and the cooperation need not be put out to tender under the Procurement Act.

A wellbeing services county is operating in a competitive market environment if it takes part in an invitation to tender.

## **Section 132**

### **Exceptions to the corporatisation obligation**

Notwithstanding the corporatisation obligation, a wellbeing services county may perform a function referred to in section 131 as part of its own activities if:

- 1) the activities are seen as occasional in nature or of limited market impact;
- 2) the county is providing administrative or technical facilities support services for its subsidiaries;
- 3) the county is providing services for an in-house entity referred to in section 15 of the Procurement Act;
- 4) the county is renting facilities primarily for use in its own activities and for subsidiaries forming part of the county corporation or for use in service provision for which the county has invited competitive tenders;
- 5) the county is providing services on the basis of an employment relationship for persons employed by the county or its subsidiary;
- 6) the activities are directly related to the obligation to have preparations in place for emergency conditions referred to in the Emergency Powers Act (1552/2011).

Notwithstanding the corporatisation obligation, the wellbeing services county may, in addition, perform a function referred to in section 131 as part of its own activities if it is expressly permitted by law that the county may provide services for another party.

The provisions of subsection 1 concerning services shall also apply to the sale of goods in a competitive market environment.

### **Section 133**

#### **Pricing when wellbeing services counties operate in a competitive market environment**

When wellbeing services counties operate in a competitive market environment in cases referred to in section 132, they shall adopt market-based pricing for their activities.

### **Section 134**

#### **Granting a loan or guarantee or other security**

A loan, guarantee or other security granted by a wellbeing services county may not put at risk the county's ability to fulfil the responsibilities laid down for it by law. Counties may not grant a loan, guarantee or other security if this incorporates a significant financial risk. The county's interests shall be safeguarded with security or counter-security of sufficient coverage. The provisions of this subsection on securities shall not apply to the subordinated loan referred to in chapter 12 of the Limited Liability Companies Act (624/2006) and in chapter 12 of the Cooperatives Act (421/2013).

Wellbeing services counties may grant a guarantee or other security for the debt or other liability of a corporate entity operating in a competitive market if the entity forms part of the county corporation, is under the joint control of wellbeing services counties, under the joint control of one or more counties and central government or under the joint control of one or more counties and one or more municipalities.

Notwithstanding the provisions of subsection 2, wellbeing services counties may also grant a guarantee or other security if this is based on a support scheme or individual support approved under law or is connected with a service obligation assigned to a corporate entity or foundation.

Wellbeing services counties shall also take into account the provisions of Articles 107 and 108 of the Treaty on the Functioning of the European Union.

**Section 135****Specification of disposal of real estate owned by a wellbeing services county or of marked-based leases**

Wellbeing services counties may dispose of real estate in their ownership or make it available for rent for at least ten years to a party operating in a competitive market environment by means of an invitation to tender for which no conditions are to be set. The invitation to tender shall be open and it shall be sufficiently well publicised.

If a wellbeing services county disposes of real estate in its ownership or makes it available for rent for at least ten years without an invitation to tender referred to in subsection 1, an impartial valuer shall assess the real estate's market value or the market-based rent.

Wellbeing services counties shall also take into account the provisions of Articles 107 and 108 of the Treaty on the Functioning of the European Union.

**Section 136****Public service obligation**

For the purpose of ensuring the services necessary for the wellbeing of the county's residents, wellbeing services counties may impose a fixed-term public service obligation on a service provider operating in a competitive market environment if the operation of the market is inadequate. Before imposing the service obligation, the county shall ascertain whether the operation of the market is adequate.

The service obligation shall be imposed in writing and it shall specify the main terms concerning service provision and the determination of compensation. The compensation payable to secure the service shall also take into account the provisions of the European Commission's legislation on State aid and general economic interest.

The service provider shall be selected in an open and non-discriminatory procedure. If the service obligation meets the definition of a procurement agreement or a concession contract laid down in the Procurement Act, the selection of the service provider shall comply with the procedure provided in said act.

**Section 137****Application of the Competition Act**

The Competition Act (948/2011) lays down provisions on the differentiation of accounting and on the right of the Finnish Competition and Consumer Authority to intervene in procedures or operating structures of a wellbeing services county or a joint county authority or a corporate entity within their control that are in breach of the Competition Act.

**Chapter 16****Request for an administrative review and request for a judicial review of the decision of a county authority****Section 138****Application of the provisions of this chapter**

The provisions of this chapter shall apply to submitting a request for an administrative review of the decision and submitting a request for a judicial review of the decision of a county authority relating to a decision made by a public authority of a wellbeing services county or joint county authority, unless otherwise separately provided by law. Section 139 shall not apply if a request for a judicial review of the decision of a county authority can be made under some other act.

In other respects, requests for an administrative review shall be subject to the provisions on requests for an administrative review laid down in the Administrative Procedure Act and requests for a judicial review of the decision of a county authority shall be subject to the provisions on requests for a judicial review laid down in the Administrative Judicial Procedure Act.

Provisions on requests for a review of a decision by a government official are laid down in the Administrative Judicial Procedure Act, unless otherwise provided hereafter in this Act.

**Section 139****Claim for rectification**

Any party dissatisfied with the decision of a county executive, a committee or of their sub-committees or of a public authority subordinate to these may request an administrative review. A request for an administrative review shall be dealt with urgently.

A request for an administrative review of a decision made by a county executive, a committee or their sub-committee or a public authority subordinate to these shall be submitted to the decision-making body concerned. A request for an administrative review of a decision made by the management board of an unincorporated county enterprise as referred to in section 71, subsection 2 shall be submitted to the management board that made the decision.

If the county executive has, by virtue of section 97, taken for its consideration a matter decided by a public authority subordinate to it or by a sub-committee of the county executive, any request for an administrative review of this decision shall be dealt with by the county executive.

**Section 140****Request for a judicial review of the decision of a county authority**

A request for a review of a decision of a county council or of a joint county authority council or a joint county authority's general assembly or of a decision issued by the county executive, a committee, a management board or an official as a result of the request for an administrative review shall be made by submitting a request for a judicial review of the decision of a county authority to the administrative court.

A request for a judicial review may be made on the grounds that:

- 1) the decision was not taken in the proper sequence;
- 2) the public authority that made the decision exceeded its powers; or
- 3) the decision is otherwise unlawful.

The appellant shall state the grounds for the judicial review referred to in subsection 2 before the period for the request for judicial review expires.

### **Section 141**

#### **Eligibility for administrative review and judicial review**

Requests for an administrative review and requests for a judicial review of the decision of a county authority may not be submitted in the case of decisions concerning only preparatory work or implementation.

### **Section 142**

#### **Right to administrative review and right to judicial review**

Requests for an administrative review and requests for a judicial review of the decision of a county authority may be made by the party to whom the decision applies or whose right, obligation or interests are directly affected by the decision (*interested party*) or by domiciled persons or other stakeholders of a wellbeing services county.

For decisions on functions organised in cooperation between wellbeing services counties, a request for an administrative review and a request for a judicial review of the decision of a county authority may also be submitted by a wellbeing services county participating in the cooperation and the domiciled persons or other stakeholders of this county.

When a decision is issued on a request for an administrative review, any request for a judicial review of the decision of a county authority may be made only by the party that made the request for an administrative review. If a decision changes as a result of a request for an administrative review, request for a judicial review of the decision of a county authority may also be made by a party that is entitled under subsections 1 or 2 to submit such a request.

**Section 143****Period for requests for an administrative review and requests for a judicial review**

A request for an administrative review shall be submitted within 14 days, and a request for a judicial review of the decision of a county authority within 30 days, of being informed of the decision.

**Section 144****Notifications of decisions to interested parties**

The notification of decisions to the interested parties shall be served as standard service referred to in section 59 of the Administrative Procedure Act.

**Section 145****Notifications of decisions to domiciled persons or other stakeholders of a wellbeing services county**

Minutes of a county council, a county executive or a committee or of a joint county authority council or a joint county authority's general assembly, and appended instructions concerning requests for an administrative review and instructions for requests for a judicial review shall, after being examined, be kept available for inspection in a public information network on the wellbeing services county's website, unless non-disclosure provisions require otherwise. If a matter is non-disclosable information in its entirety, the minutes shall only include mention of the consideration of a non-disclosable matter. Personal data contained in minutes shall consist only of that which is essential for notification purposes. Personal data contained in minutes shall be removed from the information network at the end of the period for requests for an administrative review and for requests for a judicial review.

Minutes of authorities of a wellbeing services county or a joint county authority other than those referred to in subsection 1 shall likewise be kept available for public inspection if the authority in question deems this necessary.

Domiciled persons or other stakeholders of a wellbeing services county as well as a wellbeing services county participating in cooperation between wellbeing services counties and the domiciled persons or other stakeholders of this county are considered to have been notified of decisions seven days after the minutes became available for inspection in a public information network on the wellbeing services county's website.

## **Section 146**

### **Instructions for requesting an administrative review and a judicial review**

Instructions for requesting an administrative review must be appended to decisions on which such claims may be made.

Instructions for requesting a judicial review must be appended to decisions on which requests for a judicial review of the decision of a county authority may be submitted.

A notice of prohibition of request for review must be appended to decisions on which neither a request for an administrative review nor a request for a judicial review of the decision of a county authority decision is permitted. The notice shall state the legal provision on which the prohibition is based.

## **Section 147**

### **Further appeal**

An appeal against the ruling issued by the administrative court may be lodged with the Supreme Administrative Court, if the Supreme Administrative Court grants leave so to appeal. The wellbeing services county or the joint county authority shall, without delay, publish a notice of the administrative court decision in a public information network on the wellbeing services county's website, unless non-disclosure provisions require otherwise. Personal data contained in the decision shall be removed from the information network at the end of the period for the request for judicial review.

The period for the request for judicial review shall begin when the notice of the decision has been published. However, if an interested party is notified separately of a decision, the interested party's period for the request for judicial review shall begin from this notification.

The provisions of section 43 above on exercising a wellbeing services county's right to be heard apply to the competence to exercise a wellbeing services county's right to a judicial review.

## **Section 148**

### **Enforceability of a decision**

Decisions may be enforced before they have attained legal force. However, this is not permitted if a request for an administrative review or a request for a judicial review would consequently be rendered useless or if the decision-making body or official handling the request for an administrative review or the appellate authority forbids enforcement.

## **Section 149**

### **Requesting a review of a decision by the State Treasury**

An administrative review may be requested of decisions made by the State Treasury as referred to in this Act. Provisions on the request for an administrative review are laid down in the Administrative Procedure Act.

Provisions on requesting a review at an administrative court are laid down in the Administrative Judicial Procedure Act.

## **Chapter 17**

### **Miscellaneous provisions**

## **Section 150**

### **Preparedness for incidents and emergencies**

With contingency plans, advance preparations for operations during incidents under normal conditions or in emergency conditions and other measures, a wellbeing services county must

ensure that its operations will continue with as little disruption as possible during incidents under normal conditions and in emergency conditions.

## **Section 151**

### **Entry into force**

Separate provisions on the entry into force of this Act are issued by an act.

*This Act entered into force pursuant to Act 616/2021 on 1 July 2021.*