



Extended Abstract

Programação e Financiamento de PDM PDM Programming and Financing

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Abstract

It is known that in Portugal, in the context of the practice of territorial planning, the elaboration of plans continues to have a significantly higher importance in relation to its management. It is in this sense, then, that the present dissertation intends to approach the component of the programming of plans, more specifically, the way the interventions which will implement the execution of a plan are ordered.

In a context where uncertainty and sudden changes are present in everyday life, especially since the Covid-19 pandemic, it is extremely important that the performance of the preparation of plans and the planning process adapts to the constant needs and changes arising from current events so as not to compromise the future.

The planning process is based on medium/long term time horizons, and most of the plans, without any alternatives in case something unexpectedly happens or if any component of the process fails. This, together with the current uncertainty, will require new approaches to be adopted, so that the planning process is more flexible and can adapt to the continuous reality of uncertainty.

For this dissertation, it is therefore intended, in an initial phase, to carry out a bibliographic review where are discussed important concepts for the dissertation. Subsequently, an analysis will be made of the evolution of legislation on the theme of municipal plans, namely MMP (Municipal Master Plan), as well as on the theme of local financing, since the two themes are related.

Finally, the Execution Program and the Financing Plan of the 40 municipalities chosen as case studies will be presented through an analysis matrix developed for that purpose. At the end, an analysis of the monitoring of these documents is also made for some municipalities, in order to understand if what was programmed was in fact successfully accomplished.

Keywords: *Programming; Governance; Strategic Planning; Project Management*

1. Introduction

The last Legal document for Territorial Management Instruments (RJIGT) approved, which is implemented through the Law nº 80/2015, of 14 May, brought a reinforced and much needed focus on the principles of economic and financial sustainability, as well as a growing environmental concern, which, at the municipal level, will materialize in the execution of urban operations and interventions, in order to successfully carry out what is planned in the programs and territorial plans.

The Execution Programs and Financing Plans are mandatory, as mentioned in Law No. 80/2015, of 14 May, in Article 97, number 2, where it is mentioned that the Municipal Master Plan (MMP) is accompanied by the implementation programme, containing, in particular, provisions on the implementation of priority interventions by the State and the municipality, foreseen in the short and medium term, and the framework of State interventions and municipal interventions planned in the long term (item c) and by the Financing Plan and

rationale for economic and financial sustainability (item d).

We therefore verify that the Execution Program and the Financing Plan are fundamental instruments to assist and guarantee the economic, financial, legal and land tenure sustainability of the territory as they allow to give priority degrees to strategic interventions by defining different execution deadlines depending on the level of priority, estimate the costs of the interventions and, consequently, the public charges, and also present the means of financing that will make it possible to carry out the stipulated interventions.

As territorial plans are drawn up with long-term objectives, usually within a horizon between 10 and 20 years, it will be necessary to implement more flexible approaches and decisions, where uncertainty about the future is always taken into account, in order to adapt to the constant changes in needs and continuous unforeseen events. In this sense, it is important to analyse the elaboration and execution of plans, as a way of responding to the main challenges that arise today.

This issue, and the importance of planning and how to deal with increasingly evident scenarios of uncertainty in territorial planning will be particularly important in Portugal, where, as João Reis (2013) explains: “... for *“navigation on sight” with the negative consequences that ensue, such as decision-making at the mercy of events, reduced ability to respond to unforeseen events, the absence of a vision beyond the short term....”*”.

However, an effort has been made to reinforce and improve this culture of territorial planning in Portugal, namely through legislative actions such as the Law on Territorial Planning Bases

(LBOTU) and the Legal Regime for Territorial Management Instruments, which, as João Reis (2013) mentions, “...were two fundamental milestones for the practice of planning in the country.” In the aforementioned legal documents, the territorial planning policy framework is defined, as well as the Territorial Management Instruments (IGT) that implement it.

To help answer the main objective, some more specific objectives were defined:

1. Analyse the evolution of the legislation regarding the MMPs, namely with regard to the programming of these plans: Law No. 208/82 → Law n^o 69/90 → Legal Regime of Territorial Management Instruments of 1999 (1st RJIGT) → Regime of Territorial Management Instruments 2015 (2nd RJIGT)).
2. Study how funding is implemented and developed within the scope of local authorities and specifically in the MMPs.
3. Analyse the elements of the plan that refer to programming, namely the Financing Plan and the Execution Program, and how this programming component of the MMPs of the municipalities to be chosen for the case studies is structured.

For this purpose, 40 municipalities were chosen as case studies, having chosen to select 12 municipalities from the North Region, 14 municipalities from the Centro Region, 4 from the Lisbon Metropolitan Area, 8 from the Alentejo Region, and finally 2 from the Algarve. These municipalities

present diversity in terms of socio-economic, geographic and urban dynamics.

4. Analyse whether phenomena of uncertainty are considered and, if so, their consequences in the planning process.

- This objective seeks to analyse whether the municipalities, when drawing up the MMP, refer to possible scenarios of uncertainty, namely whether the plans have incorporated flexibility and adaptability of the provisions and actions proposed in the plans in the face of changing circumstances. As previously mentioned, a good practice when drawing up territorial plans is to be aware of possible uncertainties that a certain territory may have, and, in view of this, to be flexible in the elaboration and execution of said plans.

In order to assist in obtaining more detailed results and to facilitate the structuring of responses to the specific objectives mentioned above, the following questions and hypotheses were defined:

1. Why is the programming component necessary in a spatial planning plan, more specifically in a MMP?
2. What is stipulated by law regarding the topic of MMP Programming and Financing?
3. The programming of the MMPs, analysed through the respective supporting documents in these plans, effectively constitutes the future basis for the execution of the MMP.
4. The uncertainty associated with the planning and management process of the municipal

territory is taken into account in the programming of these plans.

2. Discussion of Concepts.

Some of the keywords that we decided to research are: **programming; governance; strategic planning; project management**. It was decided that these are the keywords because, starting with programming, which is the focus of this dissertation, it refers, in this context, to the ordering of the way in which a certain task or set of tasks is carried out, in this case the interventions that implement the execution of a plan, answering the questions: How? Who? When? How much?

In relation to governance, it is a relevant concept for this dissertation because, increasingly, it is important that these programming processes are assumed by the public administration, but not only, in the execution of plans it is extremely important to also take into account all the other actors involved, whether public or private. This process also needs to be very transparent, namely having all documents available to the public. In relation to strategic planning, it is a relevant term because it addresses the issues of thinking and planning a plan with an eye on the future, where strategies will have to be considered to somehow be able to take into account possible future needs, thus, it is expected that you don't have to make so many corrections in order to make the plans as efficient as possible. Regarding project management, it is a concept that, despite having a more limited scope than the management and programming of territorial

plans, generally goes through the same stages and activities.

3. Legal Framework

3.1 Municipal Master Plans and programming

Next, a legal framework will be drawn up on the theme of Municipal Master Plans and, more specifically, on their programming. To this end, the following laws were analysed:

- Law No. 208/82, of 26 May
- Law No. 69/90, of March 2
- Law No. 380/99 (RJIGT of 1999)
- Law No. 80/2015 (RJIGT of 2015)

The legal framework for territorial planning at the municipal scale has been significantly changed since 1977, when the MMPs are mentioned for the first time in legislation. However, the focus of the MMPs on establishing general lines, guiding objectives and global zoning is transversal.

Over time, the Execution Program and Financing Plan, which are unequivocally the most effective aspect of the MMPs, went from being mandatory, to optional, and mandatory again, however, their importance is still seen as something secondary within the MMP documents. As evidence of this, we have the National Territorial Information System (SNIT), of the General Directorate of Territory, which provides various information on the MMPs, however, the Execution Programs and Financing Plans are not available.

In the current times when the importance of economic and financial sustainability and rationalization of resources is increasingly debated, the Execution Program and Financing Plan should be fundamental tools to be able to pass, in a monitored and successful way, what is in the "paper" to the ground.

3.2 Municipal financing (Local Finance Law)

In order for municipalities to be able to formulate and develop Execution Programs and Financing Plans, it will be important to understand how the financial resources that municipalities will have at their disposal have evolved in the legislative framework, as well as what powers and attributions they have in the democratic system in Portugal. Therefore, it is relevant for this dissertation to analyse the legal framework on the subject of local finance.

We found that in relation to municipal funding, there were published 5 legal documents:

- Law No. 1/79 of January 2
- Law No. 98/84, of March 29
- Law No. 1/87, of January 6
- Law No. 42/98, of 6 August
- Law No. 2/2007, of January 15
- Law No. 73/2013, of 3 September

4. Methodology

4.1 Selection of Case Studies

After a previous quick reading of some of the documents chosen at random to assess the time needed and the degree of detail expected

from this analysis, it was concluded that the sample size should total 40 case studies.

For the selection of case studies to be analysed for the dissertation, a breakdown was then made in relation to how many Execution Programs and Financing Plans would be analysed in each of the 5 regions (NUT II) of Mainland Portugal.

To this end, the distribution of how many municipalities there are in each of the regions was first made. It was found that there are 86 municipalities in the North region, 100 municipalities in the Centro region, 18 municipalities in the Lisbon region, 58 in the Alentejo and, to finish the 278 municipalities in mainland Portugal, 16 remain in the Algarve

Then, based on the values previously measured, the percentage distribution of the number of municipalities by each region was made, with the results giving, sequentially, about 31% of the municipalities are in the Norte region, about 36% in the Centro region, around 6% in the Lisbon region, 21% in the Alentejo region and the last 6% belong to the Algarve.

This was followed by finding out how many documents from each region actually had to be analysed. To this end, and based on the previous breakdowns, the same percentage breakdown by region was applied in relation to the total sample, the 40 case studies. From this calculation, the number of documents (Execution Program and Financing Plan) to be analysed by each region was 12 documents for the Norte region, 14 documents for the Centro region, 3 documents for the Lisbon region, 7 documents for the Alentejo and finally 2 documents for the Algarve.

Consequently, with the distribution of how many documents to analyse by each region, it was followed by choosing which municipalities to analyse as case studies. The selection process depended on the existence or not of the documents of the Execution Program and Financing Plan on the municipality's website.

4.2 Analysis matrix of case studies

The analysis of the case studies was based on the analysis of the Execution Programs and the Financing Plans of the 40 municipalities chosen as case studies.

From the exploration and reading of the documents analysed, an analysis table was made with the 40 municipalities, for whose documents the following information was systematized: Structure of Actions/Interventions; Priority; Time Horizon; Financing Source; Responsible; Action Phase; Total of Interventions; Total Amount Invested; No. of Pages.

4.3 Monitoring Documents from a sample of municipalities

The monitoring of the execution of the PDM of 3 municipalities was analysed, namely of: Marco de Canaveses, Coimbra and Moita. These were the three municipalities chosen because each one is located in different regions. In addition to this diversity of geographic positioning, there were also other requirements in this selection like: restriction of which municipalities, belonging to the universe of municipalities in the case studies, had monitoring documents available on their websites as well as that they were municipalities whose Execution Program and Plan of Financing had the phasing of the program from year to year.

5. Case Studies

In this chapter, we proceeded with the analysis of the selected case studies, the 40 municipalities. Each of these components of the Execution Program and Financing Plan will be analysed.

- **5.1 Structure of Actions/Interventions**

The Structure of Actions/Interventions column will portray how the municipalities group the various interventions into themes in order to facilitate the understanding of the documents.

- **5.2 Priority**

The Character (Priority) column refers to the priority level each municipality gave to each intervention presented in the Execution Program and in the Financing Plan. Interventions with higher priority levels will be the ones that deserve the most attention and urgency from the municipality, and those that will generally start first.

- **5.3 Time Horizon**

The Time Horizon column will represent, as its name implies, the timetable or the period in which each intervention will take place, that is, the duration in years that it will take until a certain intervention is concluded.

- **5.4 Funding source**

The Funding Sources represent the financial means with which the interventions will be carried out. That is, who will pay to carry out a certain intervention.

- **5.5 Responsible**

The entity in charge will be responsible for the intervention to be carried out, and, basically, who will have the initiative or will for such interventions to be carried out.

- **5.6 Action Phase**

The action phase corresponds to the indication in the Execution Program and Financing Plan of the status of each of the interventions, i.e., what stage the interventions are in.

- **5.7 Total Interventions**

Total Interventions represents the total number of interventions that are planned in each of the 40 case study municipalities.

- **5.8 Total Amount Invested**

The Total Amount Invested column indicates, as the name implies, the total amount that will be spent on carrying out the interventions. In some cases, it is possible to see the value invested in each theme that structures the interventions.

- **5.9 Number of Pages**

The number of pages corresponds to the number of pages that the Execution Program and Financing Plan will have. There are cases where these documents are individual and others where they will be included in the reasoning reports, anyway, for the count, only the pages related to the Execution Program and Financing Plan were used.

5.10 Conclusions of Case Studies

We can conclude that the municipal council, despite being the entity with the greatest weight in terms of the number of interventions in which

it participates, both in terms of being responsible for the intervention and in terms of financing it, will count on the support of other entities who will participate to help the chamber financially and in terms of burden-sharing. These entities can be Community Funds, Private Entities or Public Entities.

It can also be concluded in relation to the case studies that in municipalities that have more population it will not necessarily mean that there will be a greater number of interventions or more investment; there are cases of municipalities with a small population and that have a large number of interventions or a high budget, when compared to some larger-scale municipalities. This is justified by interventions of considerable scale and cost, namely the implementation of infrastructure and equipment that will cover or serve more territories than the municipality in question, so that, for such interventions, the Municipal Councils have the financial support of public entities from the State and European funds and co-participation with private entities.

5.11 Monitoring the Execution Program and Financing Plan

In this chapter, 3 selected municipalities were monitored, as previously mentioned: Coimbra; Marco de Canaveses and Moita.

We can see that in the 3 cases many of the planned interventions were carried out, and were not completed, and some of them were even abandoned until the date of publication of the respective monitoring documents. In none of these 3 municipalities are given a justification as to why these interventions were not completed according to their previously defined time horizon.

We can also see that in the monitoring documents interventions are added that were not present in the Execution Program and Financing Plan, once again no justification is given as to why these interventions were later included.

6. Conclusions

Regarding the general conclusions, this work intended to answer these questions/hypotheses:

1. Why is the programming component necessary in a spatial planning plan, more specifically in a MMP?

Programming becomes indispensable in the creation and execution of planning instruments, more specifically in relation to the MMP, as it is imperative to define and implement the Execution Program and Financing Plan as a set of tasks to be fulfilled, where, it will be necessary to exist an order of action according to their priorities, and where there should be options in the event that any task has unforeseen events, this does not affect the sequence of planned actions, which will lead to less financial and resource expenditure.

2. What is stipulated by law regarding the topic of PDM Programming and Financing?

We verified that over time, and as the legal documents were updated, the Execution Program and Financing Plan became mandatory in the set of documents prepared by the municipalities related to the MMP, although their importance is still seen as secondary. It would be very important that this little importance given to these documents was changed, since the Execution Program and

Financing Plan are fundamental elements and tools, not only for helping to organize and program the needs to be fulfilled, but also to be able to carry out a monitoring of the that was originally programmed.

3. The programming of the MMPs, analysed through the respective supporting documents in these plans, effectively constitutes the future basis for the execution of the MMP.

Regarding this question, we can say that there is not exactly a conclusive answer in relation to monitoring, this because, from the analysis made to the monitoring of the three chosen municipalities, we can see that in all cases there were enough interventions that had been planned in the Program of Execution and Financing Plan, and that in these documents had short and medium term completion deadlines defined, however were not completed, some of them were even abandoned. One criticism made here is that for those interventions that were not completed on time, there is no justification for this to have happened, which leaves several questions in the air as to why such interventions were not completed.

It is also important to mention that in the analysis of the monitoring documents there were interventions that were added or replaced, but once again, there is no information to justify why this happened, which makes monitoring analysis difficult.

Although no explicit explanations were found in the monitoring reports, by analysing the type of interventions carried out that were not originally foreseen in the programming documents, it can be seen that they often correspond to opportunities that arise associated with funding

programs of the Central Administration and/ or community funds. In other words, it is the strategies and objectives of these financing programs that end up directing the interventions carried out, even if this implies abandoning or postponing interventions foreseen in the MMP.

4. The uncertainty associated with the planning and management process of the municipal territory is taken into account in the programming of these plans.

At the beginning of the dissertation it was thought that uncertainty would play an extremely important role in the course of the work, but this did not happen. This is because the municipalities seem to have no regard for uncertainty, which means that in the day-to-day management of the municipalities, they manage interventions according to the opportunities that arise, whether in terms of financial resources or materials available. It suggests that in Portugal the culture of planning the territory is done in a reactive way, instead of anticipating possible problems that may arise, where something is often built that will have to be modified a few years later because it no longer achieves its purpose effectively, which will amount to a great monetary cost. Therefore, a certain level of anticipation of possible future scenarios would be an asset in order to save not only financial resources, but also time, in addition to being able to effectively provide the solution to the needs of the population.

As a final note, it is important to emphasize, once again, that changes are needed that can contribute to a more efficient planning practice in Portugal, namely through the programming of the MMPs. These suggested changes will be:

- Change the legal framework related to the programming theme:

- Clarify the documental content of the plans in relation to the programming component, and with that, make explicit what content should be present in the Execution Program and Financing Plan.

- Make the mechanisms for adapting plans to unforeseen occurrences or opportunities that arise more agile and faster to implement.

- Change the attitude of the entities that promote the plans

- Greater rigor and detail when preparing the Execution Program and Financing Plan in order to make it as specific as possible and to avoid information gaps, such as responsible entities, costs of carrying out interventions, deadlines for completion and phasing of the process.

- Implement changes so that the monitoring and evaluation procedures of the plans are more frequent in order to make necessary changes and adaptations as the program is executed, so that the process is more effective and less expensive.

References

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