Guideline for Participatory Planning in Functional Urban Areas (FUA)

FUNDA Project

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1. Introduction

Functional Urban Area (FUA)–level participatory planning is a collaborative development approach that responds to the spatial, social, and economic interlinkages between cities and their wider commuting zones. Rapidly changing social and environmental challenges – such as climate change, accessibility inequalities, and the overburdening of services – increasingly require municipalities to seek solutions not in isolation, but in a coordinated manner at the FUA level. This approach is grounded in partnership, joint planning, and the inclusion of local knowledge.

1.1 Purpose of the Guideline

The purpose of this guideline is to provide a practical, transferable, and flexible methodological framework for implementing participatory planning processes at the FUA level. It includes tools and step-by-step approaches that support territorial stakeholders in identifying shared challenges, defining development directions, and making consensus-based decisions. The document does not prescribe a single model; instead, it offers adaptable methods for FUAs of different sizes and levels of development.

1.2 Scope of Use

This methodological guideline is intended primarily for policy and development actors involved in planning or coordinating development processes at the FUA level. Potential users include:

- **municipalities** and municipal associations, particularly core cities and the municipalities within their commuting zones,
- territorial **intermediate-level** organisations (e.g. counties, regional development institutions),
- public **service providers** and institutions,
- **civil** society organisations and **economic** actors,
- as well as any expert, facilitator, or **project promoter** involved in preparing FUA-level programmes, strategies, or projects.

The guideline can also be used to support the preparation of strategic documents (e.g. FUA development programmes), medium-term planning processes, thematic cooperation initiatives (e.g. green infrastructure, human services, economic networks), as well as the design of specific innovation pilots.

1.3 General Objective of FUA-Level Participatory Planning

The overarching objective of FUA-level participatory planning is the integrated management of local and territorial development needs. This includes:

- identifying shared problems across different municipalities and service systems,
- addressing challenges that manifest at the territorial scale (e.g. mobility, social, or environmental inequalities) in a coordinated manner,
- coordinating development activities to achieve economies of scale and optimise resources,
- engaging residents, local institutions, and economic actors in refining objectives and shaping solutions.

Participatory planning therefore not only aligns the development needs of individual municipalities but also contributes to the creation of a shared FUA-level vision that benefits both the core city and the surrounding municipalities.

Linkages Between the Territorial Intermediate Level and the Local Level

FUA-level cooperation creates a bridge between local development policy and the territorial intermediate level – typically NUTS 3. The methodology:

- connects local needs with county or regional strategic directions,
- strengthens multi-level governance, where decision-making is grounded in local knowledge while remaining aligned with territorial-level coordination,
- ensures that FUA-level developments are consistent with national and EU development policy frameworks,
- enables local actors to access available funding instruments more effectively and to prepare feasible, well-designed projects.

In addition to ensuring alignment with higher-level development objectives, the FUA approach plays a particularly important role in promoting networked local cooperation and in prioritising practical, resource-efficient solutions that respond to agglomeration-related needs and produce territorial-scale impacts. This enables the core city and its surrounding municipalities to jointly address challenges and demands that can only be effectively managed at the FUA level.

Accordingly, this document aims to provide methodological support that helps the actors engaged in FUA-level planning to organise collective action, sustain partnerships, and make coordinated development decisions.

2. Preparing FUA-Level Planning

One of the most important conditions for successful functional urban area (FUA)–level participatory planning is thorough preparation. This stage requires a precise definition of the planning area and the identification of clear, jointly understood objectives. Proper preparation ensures that subsequent steps – including stakeholder engagement, problem identification, and the definition of development activities – take place within a well-founded, transparent, and territorially relevant framework.

2.1 Defining the Planning Area

The starting point of FUA-level planning is the clear delineation of the planning area. The goal is to ensure that planning is based on those municipalities and territorial linkages that demonstrate real economic, social, mobility-related, and service-use interconnections.

The FUA consists of the core city and the municipalities closely connected to it, where everyday life – work, access to services, and mobility – naturally extends across administrative boundaries. This network of relationships is also described by the concept of agglomeration, which highlights commuting, service-related, economic, and cultural dependencies that are particularly characteristic of metropolitan environments. The commuting zone represents a subset of these processes: the municipalities that regularly rely on the services of the core city (e.g. education, healthcare, administrative or commercial functions).

The combined analysis of these categories makes it possible to determine which municipalities form the natural spatial framework for planning and which types of development activities are capable of generating impact at the FUA scale.

Role of a Unified European Methodology in Delimitation

According to the joint Eurostat–OECD methodology:

- A Functional Urban Area (FUA) is a statistical–territorial unit that consists of the urban core ("city") and its functionally linked commuting zone, from which at least 15% of the workforce commutes to the centre. Objective, measurable criteria such as population size, population density, travel time to the centre, and economic indicators (e.g. GDP per capita) also contribute to the delineation.
- This delineation ensures that an FUA is not merely an administrative unit but reflects a genuine economic and mobility area where the labour market, services, and daily commuting are strongly integrated.
- It supports the alignment of funding and strategies: when the planning area is defined on an FUA basis, it becomes easier to align local development objectives with EU, regional, and national strategies, many of which are themselves built around these statistical units.
- This standardised classification makes FUAs comparable at the European level and reduces methodological uncertainty.

When defining the planning area, it is particularly important to:

- map actual functional linkages and flows (labour market, service access, mobility),
- understand daily movement patterns, service use, and inter-municipal networks,
- apply the territorial category flexibly so that the delineation reflects the real functioning of the area rather than merely administrative boundaries.

A well-delineated planning area ensures that the collaborative planning process is grounded in the real potential for territorial cooperation.

2.2 Defining Objectives and Identifying Thematic Focus Areas

The second key step in preparing FUA-level planning is the definition of development objectives. This ensures that the planning process focuses on the most important problems and opportunities within the area, rather than becoming fragmented.

During the objective-setting phase, the FUA partnership jointly identifies the strategic goals of the planning process – the development directions that can be addressed most effectively at the FUA scale.

FUA-level planning does not aim to address all development needs simultaneously. Instead, for the sake of time and resource efficiency, it concentrates on thematic areas that:

- affect multiple municipalities,
- operate through networked systems,
- generate wider territorial impact,
- and yield greater results through coordinated action than through isolated efforts.

When identifying focus areas, the following aspects must be taken into account:

- local specificities,
- key shared problems and needs,
- available resources,
- feasibility and time constraints,
- economies of scale at the FUA level.

In practice, it is advisable to identify **three to four key development priorities** around which the entire planning process can be structured.

In the case of the FUNDA project, these are:

1. Development of human public services
2. Development of green infrastructure
3. Development of business infrastructure

3. Actors in FUA-Level Planning and Principles of Partnership

Chapter 3 is divided into two main parts:

(1) **a general methodological framework** – applicable to all functional urban areas;

(2) **a thematic application** – tailored to the three FUNDA focus areas: human public services, green infrastructure and business infrastructure.

3.1 General Methodological Framework

FUA-level participatory planning is founded on partnership and shared decision-making. A Functional Urban Area (FUA) typically constitutes a common space for multiple municipalities, institutions, economic actors, and civil society organisations, where development challenges and activities—commuting, mobility, economic development, green infrastructure, public services—naturally extend beyond administrative boundaries.

Therefore, planning can only be successful if it is carried out through a collaborative, transparent, and inclusive process.

Principles of Partnership

The core principles of FUA-level participatory planning are aligned with European urban policy and territorial development guidelines:

- Co-creation: jointly shaping decisions with the early involvement of stakeholders.
- Multi-level governance: coordination across local, territorial, regional, and national levels.
- Inclusiveness and transparency: involving all relevant actors, ensuring open communication and accessible information.
- Consensus-building and trust: managing conflicts through dialogue and shared goal-setting.
- Continuous communication and feedback: ensuring ongoing interaction and information exchange throughout the entire planning cycle.

These principles are not merely formal requirements: they are key success factors. A well-functioning partnership ensures that FUA-level development plans are relevant, broadly supported, and feasible to implement.

Actors and Their Roles

The following actors typically participate in FUA-level planning:

Actor Type	Typical Role / Contribution
Municipalities and public institutions	Coordinating the planning process; providing development needs and territorial data
Regional and national bodies	Ensuring strategic alignment; providing policy support
Public service providers	Identifying infrastructure and service development needs
Economic actors, chambers, enterprises	Communicating investment intentions and labour market needs
Civil society and residents	Providing local knowledge; identifying needs and priorities; contributing to community participation
Scientific and educational institutions	Conducting data analysis; offering methodological support and innovation inputs

The partnership operates under the coordination of the **core city**, which is responsible for organising consultations, sharing information, and synthesising results.

The planning process is further supported by **thematic working groups** (e.g. on green, business, and human public infrastructure), whose active participation and professional input contribute to co-creation and collaborative planning.

Partnership Structure and Functioning

An effective partnership structure typically consists of three levels:

1. Steering Committee: responsible for strategic decision-making and the adoption of FUA-level objectives.
2. Thematic Working Groups: tasked with developing technical proposals for the identified priority areas.
3. Stakeholder Forum: ensuring information flow and consultation with a broader community of stakeholders.

Communication and cooperation tools include:

- a partnership charter or memorandum of understanding,
- a shared online workspace (e.g. Teams, Miro),
- visual tools such as map-based data sharing and dashboards,
- joint workshops, study visits, and peer-review events.

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Good practice

The Bratislava FUA platform (SK) has developed a joint planning model involving 73 municipalities and the regional development agency, working together on mobility and green infrastructure development. The partnership is based on a formal agreement and thematic working groups, ensuring effective cross-sector collaboration.

3.2 Partnership Models and Actors for the Three Development Focus Areas

Within the FUNDA project, three FUA-level development focus areas have been identified. For each of these areas, specific partnership structures and collaboration models are recommended.

Green Infrastructure Development

Objective: protecting FUA-level ecosystems, supporting climate adaptation, and developing interconnected green networks.

Typical partners: municipal environmental departments, water authorities, nature conservation NGOs, local community groups, universities.

Partnership practices: thematic *green* working groups, participatory mapping, on-site field visits, eco-walks.

Example: In the Maribor FUA (SI), a green corridor development initiative was designed with strong involvement from civil society organisations, who contributed to identifying locations for community green spaces.

Business Infrastructure Development

Objective: strengthening local economic ecosystems, fostering business networking, and developing industrial zones and incubators.

Typical partners: local enterprises, chambers of commerce, economic development agencies, municipal economic offices, innovation centres.

Partnership practices: economic forums, roundtables, joint project generation sessions.

Example: In the Linz FUA (AT), economic actors and universities established a joint innovation platform to support the development of the metropolitan industrial park.

Development of Human Public Services

Objective: improving the accessibility, quality, and integration of public services—education, healthcare, and social care—at FUA level.

Typical partners: schools, social service providers, healthcare institutions, civil society organisations, resident associations (e.g. Parent–School Associations, pensioners' clubs, Healthy City Foundation, neighbourhood councils).

Partnership practices: focus groups, community forums, service mapping activities.

Example: In the Veszprém–Balaton area (HU), community planning was used to identify accessibility gaps in public services, leading to the establishment of a shared platform for engaging service providers.

Summary

FUA-level partnerships go beyond organisational collaboration: they constitute a social innovation process that strengthens local capacities, enables shared learning, and increases the acceptance and legitimacy of development actions.

Chapter 4 presents how stakeholders can be effectively identified and engaged in ways tailored to the three development focus areas.

4. Stakeholder Identification, Analysis and Engagement Methods

4.1 General Methodological Framework

Participatory planning at the FUA level can only be successful if the relevant actors (stakeholders) are properly identified, their engagement is well-designed, and cooperation remains transparent throughout the process. Partnership is not merely a formal consultation mechanism but a continuous, two-way communication process that ensures that development decisions are based on real needs and shared knowledge.

4.1.1 Identifying and Grouping Stakeholders

Mapping stakeholders is one of the first steps in the FUA-level planning process. Its purpose is to determine who is directly or indirectly affected by the development and who is able to influence its success.

Steps

1. Identify stakeholder sectors: e.g. municipalities, service providers, economic actors, civil society organisations, academia and residents.
2. Compile the list of stakeholders: a dedicated stakeholder table is recommended for each thematic area.
3. Categorise stakeholders based on their role and level of influence.

Stakeholder Categories

Category	Characteristics	Examples
Key actors	High influence and strong interest; strategic partners; essential stakeholders who can significantly shape development outcomes	Core city, regional development agency
Primary stakeholders	Directly affected; require regular engagement; important actors with direct impact	Local municipalities, service providers, chambers of commerce, beneficiaries
Secondary stakeholders	Indirectly affected; require information and periodic consultation; important but not permanent members of working groups; exert marginal influence on outcomes	General population, certain civil society organisations, small enterprises

Recommended Tool

A stakeholder mapping sheet or stakeholder database (see Template Annex 1.), including:

- organisation / name,
- preferred communication channel,
- type of stakeholder (key / primary / secondary),
- level of engagement (informing / consulting / co-planning).

The stakeholder table serves as a comprehensive database of all actors. Its main function is identification and structuring. It works as a "background database" providing an overview of the full stakeholder landscape and serving as input for the influence–interest matrix.

Guiding question: **"Who is present in the area, and what do we know about them?"**

4.1.2 Stakeholder Prioritisation – Influence–Interest Matrix

Prioritising stakeholders helps determine which actors require close and continuous cooperation throughout the planning process, and for whom periodic consultation or information provision is sufficient. Prioritisation is based on criteria such as relevance to the planning process, decision-making influence, resource contributions (e.g. expertise, financial or human resources), and the degree to which they are affected by or interested in the development.

The matrix serves as a visual decision-support tool, highlighting differences among stakeholders and supporting the design of an appropriate engagement strategy.

Guiding question: **"Who should we focus on at different stages of the process?"**

One of the most widely used tools is the Influence–Interest Matrix, which visually positions stakeholders.

Axes:

- X-axis: Interest (low–high)
- Y-axis: Influence (low–high)

Typical Categories

Category	Characteristics	Suggested approach / example
Key actors (high influence, high interest)	Strategic decision-makers, strong cooperation partners	Continuous consultation, joint decision-making
Active participants (low influence, high interest)	Service providers, civil partners	Consultation, participation in workshops
Actors to monitor (high influence, low interest)	Government bodies, regional authorities	Periodic information sharing
Actors to inform (low influence, low interest)	General population, individual actors	Basic communication channels, newsletters

Recommended Tool

A joint workshop in which planning partners visually position stakeholders on the matrix—this practice increases shared understanding and improves the clarity of engagement needs. See Template Annex 2.

4.1.3 Engagement Methods and Timing

The methods and timing of stakeholder engagement are determined on the basis of the stakeholder analysis. Some stakeholder groups will be consulted primarily to understand their needs and expectations, while others will be directly involved in the planning process.

Stakeholder Journey – the Engagement Pathway

FUA-level participatory planning is not a one-off consultation, but a gradual process in which the role and depth of stakeholder engagement evolve over time. The stakeholder journey illustrates the main stages of partnership development:

1. Informing – providing stakeholders with information on the objectives, background and participation opportunities.
2. Consulting – collecting opinions and suggestions through surveys, forums and online tools.
3. Co-creation – active participation of stakeholders in developing priorities, solutions and projects.
4. Co-implementation and feedback – involving stakeholders in implementation, monitoring and evaluation.

Levels of Participation and Methods

Engagement level	Main objective	Methods
Informing	Information sharing, trust-building	Newsletter, website, territorial events
Consultation	Gathering feedback	Surveys, focus groups, online forum, open day
Co-creation	Developing joint solutions	Workshops, thematic working groups, participatory mapping
Co-implementation and feedback	Monitoring project delivery	Partnership forum, monitoring meetings

Timing of Engagement

Key moments in the partnership process can be identified throughout the entire planning cycle:

- Start of the process: stakeholder identification and initial outreach.
- During planning: consultations and feedback collection.
- Priority setting: involvement in decision-making.
- Implementation: partnership-based monitoring and evaluation.

4.2 Stakeholder Analysis and Engagement in the Three Development Focus Areas

Based on the three FUNDA focus areas, the stakeholder groups and engagement methods differ depending on territorial conditions and policy linkages.

Green Infrastructure Development

The participatory approach ensures that development activities are based on local needs and strengthens community ownership of the green network.

Typical stakeholders

- municipal environmental and urban management departments,
- water management and nature protection authorities,
- civil society organisations (e.g. environmental NGOs, community garden groups),
- resident groups and associations,
- professional institutions (universities, research institutions).

Influence–interest matrix example

- Key actors: municipality, water authority
- Active participants: civil society organisations
- Actors to monitor: regional authority
- Actors to inform: local population

Engagement tools

- participatory mapping (joint identification of green corridors, mapping ecological assets, "greenway planning workshop"),
- participatory identification of local water issues; community rain-garden network ("territorial sponge") programme (site selection, planting activities, online map of rain gardens, cooperation with environmental NGOs and educational organisations, business partners through CSR support),
- community field visits ("green walks"),
- thematic workshops (e.g. identifying "green and active mobility routes"),
- online visualisation tools (e.g. GIS-based green-area map).

These engagement tools address topics with territorial relevance while remaining locally tangible and visually easy to understand, enabling broad resident involvement. The approach scales well to the FUA level, as each municipality can contribute to the green network.

International example: In the Brno FUA (CZ), the green-space network was expanded through cooperation with civil society organisations and resident-led mapping exercises, which increased social acceptance.

Business Infrastructure Development

Typical stakeholders

- local enterprises, industrial park operators,

- chambers of commerce, innovation centres, clusters,
- municipal economic departments,
- employment offices and education partners.

Influence–interest matrix example

- Key actors: chamber of commerce, economic development agency
- Active participants: SMEs, start-ups
- Actors to monitor: regional development council
- Actors to inform: population, media

Engagement tools

- business forums and economic roundtables,
- survey-based needs assessment exercises,
- joint project-generation workshops,
- creation of a partnership database.

International example: In the Graz–Styria region (AT), the chamber of commerce and the urban innovation agency jointly organised business roundtables to consolidate infrastructure needs for the FUA-level development plan.

Human Public Services Development

Typical stakeholders

- health, education and social service providers,
- civil society and charitable organisations,
- resident interest groups,
- local community centres,
- education and training institutions.

Influence–interest matrix example

- Key actors: social service provider of the core city, regional education authority
- Active participants: civil organisations, schools
- Actors to monitor: regional health authority
- Actors to inform: residents, especially elderly population groups

Engagement tools

- community forums and roundtables,
- focus-group discussions,
- participatory mapping (service accessibility),
- resident surveys.

International example: In the Sofia FUA (BG), accessibility of human public services was assessed via a community mapping platform jointly used by residents and service providers to identify service gaps.

4.3 Annexes and Templates

Annex 1. Stakeholder Mapping Table (Template)

Stakeholder / organisation	Sector / field	Role in the process	Stakeholder type (key / primary / secondary)	Engagement mode	Contact / notes
City Municipality	Public sector	Core city, coordinator	Key	Working group, joint decision-making	Main contact: urban development department
"Green Circle" Association	Civil society	Environmental partner	Primary	Workshop, thematic working group, consultation	Working-group meetings; quarterly consultation
Chamber of Commerce	Economic sector	Business infrastructure adviser	Secondary	Forum, roundtable	Quarterly economic forum
University Research Institute	Academic sector	Professional background, data analysis	Primary	Consultation, working group	Co-planning; working-group meetings
Local residents	Civil / community	Users, affected groups	Secondary	Community forum, online survey	Regular information provision

Recommendation:
The table can be filled in separately for each thematic area (green, business, human), allowing easy comparison of which actors appear across multiple themes.

Annex 2. Influence–Interest Matrix (Template)

Purpose: To define the stakeholder engagement strategy within partnership-based planning.

	Low interest	High interest
High influence	Important actors to monitor → periodic information, strategic consultation	Key actors → continuous engagement, joint decision-making
Low influence	Actors to inform → communication, information sharing	Active primary participants → consultation, workshops, pilot projects

Stakeholder Matrix
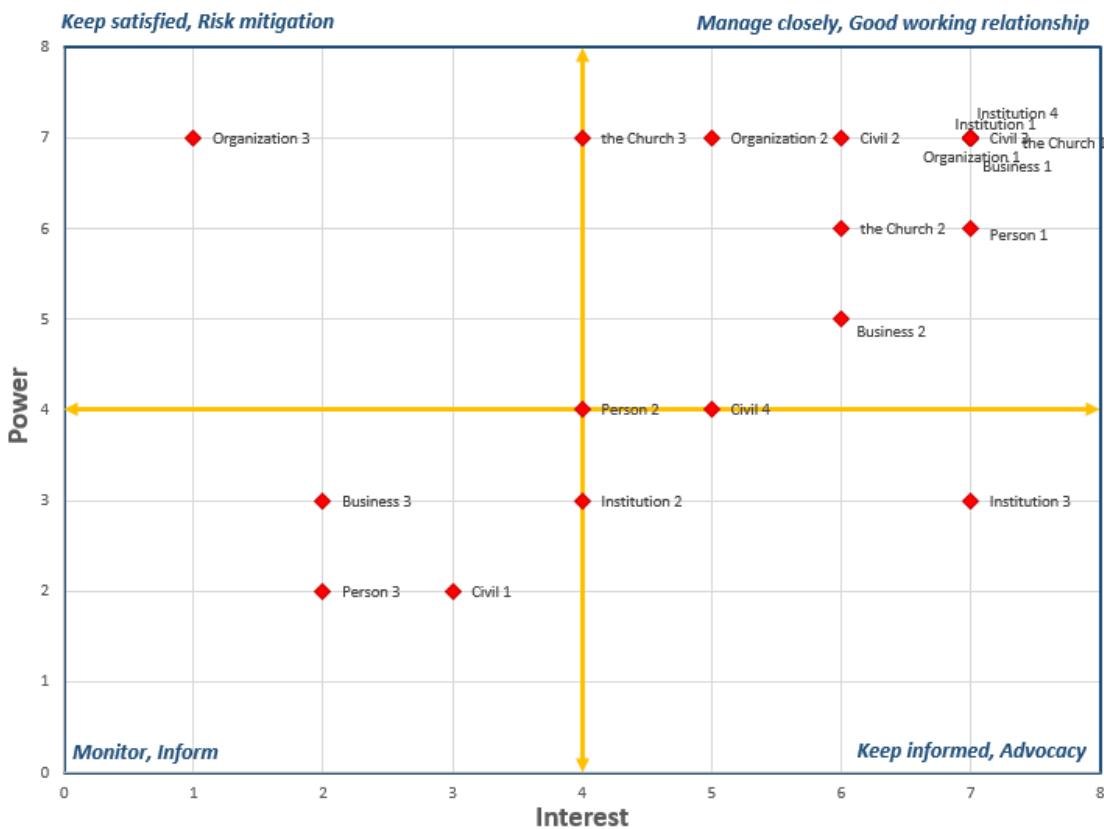
Practical Application

- The matrix should be completed jointly by the planning partnership during a workshop.
- Participants place stakeholders into the four quadrants using post-its or a digital whiteboard.
- The result is a stakeholder engagement strategy that clarifies the appropriate level and method of involvement for each group.

4.4 Establishing Working Groups and Operating the Partnership

Following stakeholder analysis and the definition of engagement methods, the next logical step is to set up thematic working groups. These groups coordinate the active involvement of stakeholders and facilitate partnership-based collaboration across the three development focus areas.

Identifying Key Actors

The key actors identified during the stakeholder analysis take on strategic and coordination roles within the working groups. The aim is to ensure that each development focus area is supported by

partners with the relevant professional expertise and/or decision-making competence, thereby ensuring informed decision-making and well-grounded development proposals.

Creation of Thematic Working Groups

The working groups are organised according to the three thematic focus areas:

- Human public services – education, healthcare, social care
- Green infrastructure – green spaces, water management, climate adaptation
- Business infrastructure – economic development, mobility, enterprise support

Tasks and Operating Principles

The working groups contribute to the preparation of the relevant sections of the FUA planning document through the following tasks:

- Problem identification and proposal development – analysing challenges within the thematic area and formulating concrete development proposals.
- Regular meetings and data sharing – meeting on a monthly basis, exchanging data and experience, and providing feedback to the wider partnership forum.

Alignment with the Development Focus Areas

The working group structure ensures that the three focus areas progress both individually and in parallel within the pilot FUAs, drawing on the professional strengths of participating stakeholders:

- The Human Public Services Working Group coordinates local service systems and public provision.
- The Green Infrastructure Working Group supports the planning of sustainable urban spaces and climate-adaptive solutions.
- The Business Infrastructure Working Group contributes to aligning economic and enterprise development opportunities and integrating mobility and logistics considerations

This structured working-group system ensures that FUA planning progresses through continuous collaboration, dialogue, and feedback, ultimately leading to tangible results.

The table below summarizes the focus, key players and operating methods of the working groups in a short, easy-to-understand format.

Summary Table of Working Groups

Focus Area	Example Key Actors	Tasks	Operation / Scheduling
Human Public Services (education, healthcare, social care)	Central-city service providers, civil society organisations, educational institutions, municipal authorities	Problem identification; development of proposals in the field of human services	Monthly/quarterly meetings; data sharing; feedback to the partnership forum
Green Infrastructure (green spaces, water management, climate adaptation)	Municipal environmental departments, water management authorities, civil organisations, research institutions	Problem identification; proposal development; planning of sustainable spaces, climate-adaptive solutions and green networks	Monthly/quarterly meetings; data sharing; regular workshops; participatory mapping
Business Infrastructure (economic development, mobility, enterprise development)	Development agencies, chambers of commerce, innovation centres, local businesses, municipal authorities	Problem identification; assessment of enterprise development needs; development proposals; project idea generation	Monthly/quarterly meetings; roundtables; project labs; shared databases

5. Problem Identification at the FUA Level

A participatory situation analysis relies on gathering as much local knowledge as possible from stakeholders with diverse backgrounds. Its primary goal is to collect information on stakeholders' concrete needs and their perceptions of existing problems. An equally important objective is to build a shared understanding of the situation and to create a sense of urgency for change among stakeholders.

To ensure that a multi-stakeholder working group focuses on the right questions, it is essential to establish a shared problem space and conduct a joint problem analysis. A well-defined set of problems provides the professional foundation for subsequent development interventions and activities.

This chapter presents the method for problem identification:
- a four-part question framework to support problem exploration;
- the categorisation and prioritisation of identified problems;
- the development of a problem map.

5.1 Identifying Relevant Problems: The Four-Part Question Framework

When identifying FUA-level problems, each issue must be examined from four perspectives. This ensures that the issue is a **genuine, relevant and verifiable problem**—not a misunderstanding, an anecdotal observation or a hypothetical future risk (e.g. "water wars"). A problem is an existing negative situation, not simply the absence of a solution.

WHO?	WHAT?	WHERE?	WHY?
Who is affected? Who experiences the problem? Who would benefit from solving it? Can the affected group be narrowed down (e.g. residents, students, older people, commuters, businesses, institutions)?	What exactly is the problem? Is it truly a problem? Is it real, demonstrable and persistent? What data, studies or practical evidence support it? Is it widely recognised, or did it emerge from a single impression?	Where does it occur? Where is the problem most visible? Can a specific neighbourhood, route, service area, institution or functional zone be identified? Does it have wider, cross-municipal implications within the FUA?	Why is it important to address? What are the consequences of inaction? How urgent is it for those affected? How strongly does it influence daily life, the local economy or the environmental condition?

Applying this method helps structure information on the causes, affected groups and consequences of each issue, thereby providing a sound professional basis for subsequent interventions.

5.2 Collecting and Systematising Problems

The first practical step in problem identification is the structured collection and listing of all available information, guided by the relevance questions outlined above. This can be carried out through several complementary methods, such as:

- Focus group discussions with stakeholder groups (e.g. residents, institutions, service providers, businesses), where insights are collected in a targeted and thematic manner;
- Workshops in which participants jointly identify and organise problems;
- Brainstorming sessions, offering a creative, quick and wide-ranging way to surface issues;
- Interviews with key actors who possess deeper professional insight;
- Surveys that capture broader public or sector-specific perspectives;
- Analysis of existing statistics and development documents, providing an evidence-based foundation.

Territorial Relevance and Thematic Focus

In FUA-level planning, it is important that identified problems reflect wider territorial dynamics rather than isolated, municipality-specific phenomena. The analysis therefore takes into account functional interconnections, network effects, service catchment areas and agglomeration relationships. Based on this, problems may include:

- FUA-wide shared challenges (e.g. lack of accessibility, transport congestion);
- Thematic issues linked to key focus areas (green infrastructure, human public services, business environment);
- Problems arising from capacity or resource constraints;
- Organisational, coordination or operational difficulties.

The outcome of this collective problem-identification process is a **problem inventory**, which lists all relevant and verifiable FUA-level problems by thematic category (e.g. human public services, green infrastructure, business infrastructure).

5.3 Problem Prioritisation and the Problem Map

Prioritisation supports the establishment of a clear order of importance and ensures that subsequent development activities address the most pressing territorial challenges. The problem map visualises:

- the severity of each problem;
- its urgency;
- the resources required to address it;
- the extent to which it is locally manageable, or whether it requires regional or national intervention.

The purpose of the problem map is to provide a structured representation of all identified issues in the problem inventory. It supports the selection of interventions and forms the logical foundation for subsequent development activities. Problems typically range from those that are easily

manageable with low resource needs to difficult-to-address, high-resource issues, thereby illustrating their overall solvability.

For visualisation, problems are placed on a two-dimensional matrix:

- Vertical axis: the extent to which the problem is manageable with local capacities and conditions (easy → difficult);
- Horizontal axis: the resource requirement associated with solving the problem (low → high).

This approach helps the partnership identify the most relevant and strategic problems and prevent an overly broad or unfocused problem set, thereby ensuring efficient resource use and coherent, sustainable development planning.

Identified Problem

PROBLEM MAP		RESOURCE REQUIREMENT		
		Low	Medium	High
Local capabilities, assets	Easily manageable	2.	1.	
	Manageable	6. 3.		5.
	Hard to manage	4.		X.

5.4 Practical Example

Identifying a Green Infrastructure Challenge in a Functional Urban Area

Identified problem:

Green spaces within the functional urban area are poorly connected, and ecological corridors between settlements are fragmented.

WHO?	WHAT?	WHERE?	WHY?
Stakeholders: • Residents of the functional urban area (especially young families, older adults, people seeking active recreation, hikers) • Nature conservation actors, forest and park managers • Municipalities within the city and surrounding settlements • Tourism and recreation service providers • Healthcare institutions (due to climate-adaptation impacts)	**Nature of the problem:** • Ecological corridors between settlements are interrupted in many locations (due to new developments, industrial areas, transport routes) • Cities have few shaded public parks and a low level of tree coverage • The urban heat island effect is intensifying, creating climate-vulnerable zones **Evidence:** • Local urban planning documents (green space ratios) • Climatic data (increase in heatwave days) • Maintenance reports • Environmental assessments	**Affected areas:** • Urban fringe zones where development disrupts ecological permeability • Green corridors squeezed between industrial or logistics areas • Inner residential districts with low levels of public green space	**Reasons for addressing the problem:** • Intensifying heat island effect reduces residents' quality of life • Limited recreational opportunities • Declining biodiversity • Loss of ecosystem services within and between settlements • Increasing risk of stormwater drainage problems

Problem Map – Green Infrastructure Example

PROBLEM	Low resource need	Medium resource need	High resource need
Easy to address	…	…	…
Manageable	…	1) Decline in green spaces and inadequate maintenance reduces biodiversity and increases the urban heat island effect	…
Difficult to address	…	…	2) Fragmentation of green infrastructure networks

1) Medium resource need – manageable:
Can be improved through local interventions (tree planting, park rehabilitation) that are relatively quick and require limited coordination.

2) High resource need – difficult to address:
Affects multiple municipalities and requires significant spatial planning, environmental and infrastructure development interventions.

6. Listing Problems and Possible Solutions

The next step in the planning process is to organise the problems identified in the previous chapter and to explore feasible solution pathways. The aim is to guide stakeholders from identifying problems towards defining development interventions through a structured and collaborative process.

Since many of the identified issues affect multiple actors, a cooperation-based approach is most effective when seeking solutions to shared challenges.

This chapter builds on a **problem–solution logic**:

1. Define alternative solution pathways for the short, clear problem statements identified previously
2. Where possible, identify the resources required for each proposed solution
3. Distinguish between quick, immediate interventions and longer-term, strategic tasks

This approach ensures that planning focuses simultaneously on the problems uncovered and on creating a shared space for coordinated action. Stakeholders not only identify challenges, but can also begin joint thinking about potential interventions early in the process.

The benefits include:

o Greater efficiency: Each problem is paired directly with suitable solution pathways, helping avoid fragmented or repetitive proposals.
o Stronger cooperation: Stakeholders see how their own problems intersect with others' needs, fostering joint thinking and coordinated action while reducing overlaps.
o Clearer focus: The scale and resource needs of each issue make it easier to distinguish quick wins from more complex, long-term interventions.
o Transparency: It becomes clear which problems offer multiple solution options and which require broader institutional cooperation.
o Improved communication: Provides a clear and easily understandable structure for partnership consultations and makes the planning logic more transparent.

Methodology and Engagement Tools

The central element—and planning tool—of this chapter is the *Problems and Solutions Table*, which logically links each identified problem with potential development interventions and provides an indicative resource framework for planning implementation.

PROBLEMS AND SOLUTIONS TABLE
For analysing problems and formulating development options
Area: Green Infrastructure Development

Problems	Solutions	Resources
1) Urban green spaces are deteriorating, tree coverage is insufficient, and maintenance is ineffective due to outdated equipment and a lack of skilled staff. As a result, biodiversity is declining and the heat island effect is intensifying.	– Acquisition of modern maintenance machinery – Training operators in contemporary green space management techniques – Knowledge sharing among public service providers – Preparation of heat-island maps – Targeted tree-planting programme in heat-stress zones	– Funding for equipment – Professional training – Cooperation among operators – Climate-adaptation funding schemes – Planning capacity – Local knowledge and inter-municipal cooperation – Expertise and local knowledge of civic groups
...		

Each problem may have several alternative solutions, applicable across different time horizons and associated with varying cost levels.

Participatory and Professional Methods for Developing Solutions

Focus group discussions
• Small, targeted professional or community groups
• Suitable for exploring sensitive or conflict-prone topics

Workshops
• Involve multiple stakeholders simultaneously (e.g., municipalities, urban management, civil organisations, service providers)
• Structured and facilitated processes built around the problem–solution logic

Brainstorming
• Fast and creative idea generation
• Particularly useful for identifying a wide range of solution alternatives before narrowing them down
• Can also be conducted online to reach a broader audience (e.g., map-based reporting tools, interactive surveys)

Distinguishing Quick Interventions and Long-Term Tasks

Once problems and potential solutions have been organised, the planning process can distinguish between short-term interventions that deliver immediate impact and longer-term tasks requiring more extensive preparation. This differentiation helps decision-makers and partner institutions allocate resources efficiently and achieve visible, confidence-building results early on, while also preparing the structural developments needed to meet strategic objectives.

Quick interventions (quick wins) can be implemented at relatively low cost, with limited organisational effort and in a short timeframe. Their purpose is to demonstrate visible improvements, strengthen cooperation and build trust in the development process. *Examples in the field of green infrastructure:* small-scale green space improvements, preparing tree-planting actions, launching volunteer programmes, or piloting experimental interventions.

Longer-term tasks typically involve complex structural or infrastructure developments, requiring higher budgets, multiple stakeholders and a longer preparation period. These are essential for achieving strategic goals, as quick wins alone cannot resolve systemic challenges. *Examples in green infrastructure:* renewal of municipal and inter-municipal green networks, establishment of integrated water-retention systems, incorporation of climate adaptation measures into local planning regulations.

Solution alternatives can generally be grouped into two categories:

1. Quick Interventions (0–18 months)
- low resource requirement
- simple preparation
- rapid, visible results
- strengthening partnership cooperation

2. Longer-Term Tasks (1,5–4 years or beyond)
- strategic significance
- higher resource needs
- cross-sectoral coordination
- lasting, systemic impact

The distinction between these intervention types is not an end in itself. The goal is a sequenced, logically structured FUA development plan that responds to immediate needs while laying the groundwork for long-term strategic directions. This approach helps optimise resources, reduce risks and identify synergies across projects.

Short Illustrative Examples Demonstrating the Value of Joint Problem–Solution Thinking

Business Infrastructure Development

- **Problem:** Outdated business premises or missing business development services.
- **Advantage of joint solution-seeking:** Municipalities, local enterprises and economic development organisations can jointly identify which services and infrastructure elements should be prioritised to strengthen the local business environment.
- **Typical quick intervention:** Temporary opening of co-working spaces, pilot business services.
- **Longer-term task:** Development of incubators, innovation spaces, industrial-area infrastructure; coordination of industrial-area developments; joint marketing and standardised information packages.

Human Public Services (Social and Health Services)

- **Problem:** Certain institutions are difficult to access or overloaded (e.g., social or health services).
- **Advantage of joint solution-seeking:** Service providers, community organisations and residents can jointly identify where the need is greatest for a new service point or mobile service.
- **Typical quick intervention:** Temporary expansion of mobile or regional human services.
- **Longer-term task:** Establishing new institutional capacities or developing network-based cooperation; joint needs assessment and service organisation models involving multiple municipalities.

Green Infrastructure Development

- **Problem:** Neighbourhoods with low tree cover and increasing heat-island effects; uneven spatial distribution of green areas.
- **Advantage of joint solution-seeking:** Municipalities, urban management companies, civil society groups and experts can jointly identify locations where tree planting is technically feasible, aligned with the green network, and responds to community demand.
- **Typical quick intervention:** Temporary shading devices, mobile green elements.
- **Longer-term task:** Street-tree strategy and water-retention infrastructure development; designation of ecological green corridors.

7. Justifying Development Priorities (Focus Areas) - Activity Table

The activity table is a fundamental tool in strategic and operational planning. It builds on the problem map and the solution proposals derived from it, and provides a transparent structure for the activities (measures), expected results, responsible actors, tools and resources required to achieve a development objective. It supports the first detailed consideration of implementation and serves as a foundation for subsequent project-level planning.

7.1 The Role and Necessity of the Activity Table

To achieve a specific development objective, it is necessary to determine:

- what activities are required,
- which stakeholders will participate in implementation,
- what resources or tools are needed,
- what timeline can be expected,
- what results are anticipated,
- which funding opportunities can be linked to the measures

7.2 Method – How the Activity Table Is Prepared

1. Identify the expected results – the positive changes the interventions should generate.
2. Define the necessary activities (measures) that are capable of producing these results.
3. Record the responsible organisations and partner actors involved in implementation.
4. Prepare a schedule, including start and end dates and key milestones.
5. Compile cost and resource requirements, including possible funding sources.
6. Assess functional urban area (FUA) relevance: only activities that genuinely contribute to the development priority and have a multiplier effect should be included.

The format of an activity table is not universal; each planning process should use a tailored structure. However, common elements typically include:

- development priority / objective
- activity / measure
- expected result
- responsible and contributing organisations
- required resources and tools

- timeline
- cost estimate
- funding source(s)

7.3 Defining Expected Results

Expected results are concrete and measurable positive changes derived from the identified problems, describing the primary effects of the planned interventions.

These results:

- relate directly to the original problem,
- clearly correspond to the planned activities,
- are measurable or at least quantifiable,
- are realistically achievable within the planning timeframe.

General examples include:

- improved service quality
- broadened access for users
- improved condition of infrastructure
- increased institutional or operational capacities
- strengthened cooperation mechanisms
- reduced environmental or social risks

7.4 Example Structures for the Activity Table

Priority Area: Human Public Services Development

Local Level

Activity	Planned Result	Resources / Tools	Responsible Organisation	Key Partners	Duration
H1: Modernisation of primary healthcare (practice upgrades, equipment, digital solutions)	Better quality of care; reduced waiting times; increased preventive screening	Medical equipment, digital systems, infrastructure upgrades	Municipality / healthcare provider	GP practices, outpatient clinics, national health fund	12–24 months
H2: Development of child and youth services (community spaces, programmes, support services)	Improved equal opportunities; more young people participating in community and development programmes	Community spaces, human resources, educational tools	Municipality / child and youth service provider	Schools, NGOs, community centres	9–18 months
H3: Digital and organisational modernisation of social services	Faster case management; more efficient data and capacity handling	IT system, training, organisational capacity development	Municipal social service	E-health and IT providers, social NGOs	6–12 months

Functional Urban Area Level

Activity	Planned Result	Resources / Tools	Responsible Organisation	Key Partners	Duration
H1: Coordination of the FUA healthcare system (data sharing, mobile capacities, shared protocols)	More coherent and accessible healthcare across multiple settlements; reduced territorial inequalities	Healthcare IT system, telemedicine equipment, joint training	Regional healthcare provider / health holding	Hospitals, GP practices, public service providers	18–30 months
H2: FUA education and skills development platform (digital materials, joint training modules)	Improved skills and labour-market alignment at regional level; shared training programmes	Digital education platform, trainers, pedagogical support	Regional education coordination body	Universities, vocational schools, businesses, youth organisations	12–24 months
H3: Inter-municipal networking of social services (joint service packages, mobile teams)	More efficient resource use; better access in small settlements; balanced service quality	Mobile social teams, shared data management, organisational coordination	Regional social service	NGOs, municipalities, healthcare partners	12–18 months

Priority Area: Green Infrastructure Development

Local Level

Activity	Planned Result	Resources / Tools	Responsible Organisation	Key Partners	Duration
G1: Connecting the urban green space network (development of parks, tree lines, green corridors)	Creation of a coherent, climate-responsive green space system; reduced urban heat island effect	Landscape plans, horticultural works, maintenance capacity	Municipality	Urban management, local communities, environmental NGOs	12–24 months
G2: Establishing rainwater retention and nature-based solutions in public spaces	Increased surface water retention; reduced risk of flash flooding; more resilient green spaces	Infrastructure development capacity, water management plans, contractors	Municipality / water utility	Green space managers, environmental authorities	9–18 months
G3: Launch of a community green programme and joint composting (pilot)	Increased public engagement in environmental sustainability; reduced share of bio-waste	Compost units, educational materials, organisational capacity	Municipal green programme management	Civil organisations, housing associations, schools	6–9 months (pilot)

Functional Urban Area Level

Activity	Planned Result	Resources / Tools	Responsible Organisation	Key Partners	Duration
G1: Joint planning and implementation of inter-municipal green corridors and ecological linkages	Continuous ecological network connecting multiple settlements; increased biodiversity; strengthened climate resilience at FUA level	GIS-based planning, ecological surveys, earthworks, shared database	Regional development agency / metropolitan authority	Municipalities, nature protection institutions, international experts	18–36 months
G2: Networked application of nature-based water-retention solutions across several municipalities	Reduced flash-flood risk at FUA level; improved water retention across the whole catchment	Hydrological modelling, joint pilot sites, engineering design	Regional water management organisation	Utility providers, universities, environmental authorities	12–24 months
G3: Establishment of a FUA green monitoring system (data sharing, sensors, platform)	Unified, FUA-level green infrastructure monitoring; coordinated decision-making and maintenance	Sensor network, digital platform, data processing system	FUA coordination body	Urban service providers, research institutions, civil partnerships	12–18 months

Priority Area: Business Infrastructure Development

Local Level

Activity	Planned Result	Resources / Tools	Responsible Organisation	Key Partners	Duration
B1: Development of incubator spaces and co-working offices for local enterprises	Improved conditions for business start-ups; increased number of start-ups and micro-enterprises	Property development, IT infrastructure, professional management	Municipality / economic development agency	Local SMEs, chambers, co-working providers	12–24 months
B2: Modernisation of basic infrastructure in industrial and business zones (roads, utilities, digital networks)	More competitive and attractive business environment; increased number of incoming firms	Planning and construction capacity, utility development, digital networks	Municipality / infrastructure operator	Utility providers, business community	18–36 months
B3: Business development advisory services and mentoring programme (pilot)	Improved viability of enterprises; strengthened entrepreneurial skills	Experts, mentor network, training materials	Local economic development office	Chambers, financial providers, SMEs	6–12 months (pilot)

Functional Urban Area Level

Activity	Planned Result	Resources / Tools	Responsible Organisation	Key Partners	Duration
B1: Establishing a FUA innovation network (inter-municipal innovation hubs, incubators, labs)	Integrated innovation ecosystem; stronger knowledge and technology flow among FUA enterprises	Digital community spaces, high-capacity gigabit connectivity, shared service protocols	Regional economic development agency	Universities, SMEs, corporates, cluster organisations	12–30 months
B2: Coordinated development of a regional network of logistics and mobility hubs	More efficient freight transport; improved regional accessibility; greater economic integration	Infrastructure development plans, transport models, technical capacity	Regional mobility agency	Logistics companies, transport providers, municipalities	24–36 months
B3: Establishing a digital competence and service development centre operating as a network	Increased digital competitiveness of FUA enterprises; unified digital service portfolio	Training system, advisory capacity, shared platform	Regional digital innovation centre	Chambers of commerce, education providers, innovation agencies	12–18 months

8. The relationship between the development priorities and the objectives of existing development documents

The implementation of functional urban area (FUA) development objectives supports the achievement of relevant local and higher-level territorial goals, therefore it is essential that these objectives are aligned. Alignment is not merely about compliance, but about seeking synergies: FUA priorities become truly effective when they are able to reinforce the goals of existing documents and create added value through cooperation across different territorial levels. In this way, FUA planning not only serves local needs but also contributes to regional and European objectives. Demonstrating these synergies is therefore crucial: it shows how FUA developments fit into the broader strategic frameworks and how they strengthen them.

Equally important is that national-level sectoral strategies – for example economic development, public service modernisation or environmental protection – support and reinforce FUA objectives.

Synergies exist when:

- strategic objectives and planned FUA developments target the same problem areas,
- mutually reinforcing and complementary development actions are implemented.

The FUNDA project's FUA priorities focus on three main fields:

- Development of human public services, strengthening the quality of education, healthcare, social services and cultural services.
- Development of green infrastructure, supporting environmental sustainability, climate action and the creation of a liveable urban environment.
- Development of business infrastructure, improving economic competitiveness and the operating conditions of enterprises.

Relationship Between Existing Development Documents and FUA Objectives
Sample Table – Indicating Synergies

Existing Development Documents	Overarching / Strategic Objectives (example)	FUA Priority 1: Human Public Services	FUA Priority 2: Green Infrastructure	FUA Priority 3: Business Infrastructure
Local Urban Development Concept	Liveable urban environment, strengthening economic foundations	X	X	X
County / Regional Development Programme	Competitiveness, mobility, development of public services	X		X
National Digital Strategy	Digital economy and e-government	X		X
National Environmental Protection Programme	Climate protection, sustainable resource management		X	
EU Green Deal	Carbon neutrality, sustainable mobility, energy efficiency		X	X
EU Digital Europe Programme	Digital infrastructure, innovation, data economy	X		X
EU Biodiversity Strategy	Protection of ecosystems, expansion of green areas		X	

9. Detailing of Development Activities

Completing a data sheet for refining each development activity/project and reviewing the details of the activity helps ensure that the emerging concepts move toward effective implementation. Selecting key projects and adaptable, pilot-type initiatives makes it possible to translate development objectives into practical action. In project-level planning, it is necessary not only to define the objectives and expected results, but also to consider the timetable, required resources, beneficiaries, and potential obstacles and risks.

The **project data sheet** serves as a tool for reviewing and refining the details. It helps record the developed ideas in a structured form.

In addition to key projects, it is advisable to include pilot-type, innovative initiatives that can be applied internationally and, through their replicability, contribute to the dissemination of good practices.

Selection of Key Projects

Key projects are those developments that:

- o directly support the achievement of territorial objectives,
- o have a significant impact on the economic, social or environmental development of the functional urban area,
- o require cooperation among multiple actors,
- o deliver long-term, sustainable results

Pilot Projects – International Transferability

The purpose of pilot-type projects is to:

- test new solutions,
- demonstrate the effectiveness of a method on a small scale and in a controlled environment,
- generate replicable models based on their results and lessons learned.

Characteristics of a good pilot project:

- low-risk, well-defined intervention,
- demonstrates its impact using clear indicators,
- open to cooperation (e.g. higher education institutions, businesses, civil partners),
- applies an approach that may also be relevant for other regions or countries (e.g. data-driven mobility, urban liveability, energy management, digital services, etc.)

Sample Project Data Sheet

Data Sheet Field	Example Entry
Project Title	"Mobile Health and Social Service Center"
Project Description *(max. one paragraph, 500 characters)*	Mobile service units (buses, containers) provide basic health screenings, social counselling and digital administrative assistance in the settlements of the urban area. These mobile units regularly visit smaller municipalities, ensuring that services are accessible to all residents. The multifunctional mobile human-service fleet brings child and family support services and digital skills development to peripheral and disadvantaged settlements. The system operates on a unified schedule and a shared digital platform.
Related Objective/Priority *(Based on valid urban, higher-level territorial and thematic development documents)*	National Development Concept, Development of Human Public Services, Equal Opportunities, Digital Inclusion, County Health Programme, Capacity Development of Territorial Human Service Systems, EU Social Pillar
Justification of Development Function and Territorial Cooperation *(max. one paragraph, 500 characters)*	The aim is to improve human services in underserved settlements through mobile provision, using shared resources within the urban area. The mobile service reduces territorial inequalities, improves prevention and reaches hard-to-mobilise groups (elderly, youth, socially disadvantaged). Territorial cooperation is justified because smaller municipalities could not provide these services on their own.
Project Promoter(s)	Inter-municipal urban area association, health institutions, Central City Municipality Human Services Directorate (or: Urban Area Social and Health Consortium)
State of Preparedness	Pilot programme prepared; territorial needs assessment completed; pilot municipalities designated; international best practices adapted; mobile service model mapped (EU benchmarking); partnership declarations available
Estimated Cost	EUR 1.5 million
Planned Implementation Period	2027–2029 (30 months)
Location(s)	Smaller settlements of the urban area; central coordination office in the central city (vehicle base + coordination); 8–12 small settlements served weekly according to schedule
Expected Impacts and Results Relevant to the Urban Area	Territorial: balanced service access, harmonisation of services, improved data sharing Social: equal opportunities, improved quality of life, early prevention, activation of disadvantaged groups Environmental: mobile units operate with green technology, fewer resident trips → reduced emissions

Data Sheet Field	Example Entry
	Financial/Economic: cost-effective solution compared to fixed infrastructure; resource sharing; lower institutional maintenance costs
Quantifiable Outputs *(with unit of measure)*	3 mobile units; 10 served settlements; 10,000 residents reached/year; 7,000 screenings/year
Risks :	Implementation risks: logistics and operational challenges, staff shortages Financing risks: availability of EU funds, rising vehicle and equipment prices Sustainability risks: long-term operational costs, weakening of partnership
Stakeholders and Actors Involved in Planning and Implementation, with Roles *(eg. businesses, university research units, municipal institutions, community groups, NGOs, churches)*	*Stakeholder – Role* Central City Municipality: coordination, project promoter Micro-area municipalities: local needs assessment Health institutions: professional service provision, content of screening programmes Health technology companies: equipment provision, telemedicine Civil organisations: community involvement, target group identification Resident groups: feedback, participation
Form of Project Partnership	Consortium, cooperation agreement between municipalities, joint application, regular coordination forum, service-sharing agreement, shared digital booking and data collection system

10. Organisational Framework for Cooperation, Governance and Decision-Making Options

Chapter 10 is divided into three major parts. Within the general methodological framework, which is applicable to all Functional Urban Areas (FUAs):

1. Possible governance model for the Functional Urban Area (FUA), including an overview of partnership-based governance
2. Forms of partnership cooperation, methods of stakeholder involvement, continuous operation of the forum, monitoring and feedback mechanisms
3. Decision-making mechanisms

This is followed by a thematic application for the three FUNDA focus areas: green infrastructure, business infrastructure and human infrastructure.

10.1 The Functional Urban Area Governance Model

One of the key determinants of successful community planning at the FUA scale is the governance and operational framework of the Functional Urban Area (FUA), and the extent to which these structures are able to support the processes of planning, implementation, monitoring and evaluation. The FUA scale is more complex than the functioning of a single municipality, as several local governments, institutions, public service providers, market actors and civil society organisations operate within a shared system.

The green and digital transitions, the strengthening of territorial cooperation and the growing importance of multi-level governance are expected to generate changes in FUA-scale operations and service delivery. Therefore, the aim of this guide is to present governance and operational models that effectively support planning and implementation at FUA level.

The FUA governance model is organised according to the principles of multi-level governance and differs from traditional municipal structures.

Key characteristics:

- **Multi-actor and multi-level coordination:**
  As the FUA is not a formal administrative unit, cooperation is based on institutional agreements, coordinated task-sharing and continuous dialogue.
- **Shared responsibility and transparency:**
  Decision-making and preparatory processes are documented, and the criteria applied are traceable and understandable for all stakeholders.

- **Network-based operation:**
  Cooperation at FUA level is not hierarchical but network-based: the core city coordinates without dominating, and partners contribute according to their professional relevance.
- **Participatory decision-making:**
  As outlined in Chapter 4, decision preparation should make use of participatory techniques such as consultations, focus groups, structured discussions and working-group proposals.
- **Coverage of the full planning cycle:**
  The organisational framework must ensure the implementation of situation analysis, planning, execution, monitoring, evaluation and re-planning.

Sample Table: Overview of the FUA Governance Model

Element	Description / Content to Complete	Example
Type of cooperation frameworks	How FUA cooperation currently operates (formal, informal frameworks, associations, agreements)	FUA Partnership Council (formal), thematic expert working groups (informal).
Coordinating organisation	Organisation responsible for strategic and operational coordination	Core City Development Agency, FUA Coordination Office.
Participating municipalities and institutions	Organisations involved in decision-making (e.g. FUA member municipalities, public service providers, county-level bodies, regional transport/environmental actors)	12 municipalities, regional transport centre, waste management provider, water utility, County Chief Architect's Office.
Decision-making mechanisms	Bodies, voting shares, decision-preparation processes, transparency arrangements	FUA Council with consensus-based decisions; proposals prepared by expert working groups.
Implementation of multi-level governance	Mechanisms ensuring multi-level governance principles; links to national, regional, county and local levels; legal alignment; cooperation with EU and national programmes	Coordination with county spatial development council; alignment with higher-level strategies and European FUA initiatives.

Potential Basic Structure of FUA Governance

The optimal FUA cooperation structure consists of a three-level decision-making and coordination system, consistent with the partnership model described in Chapter 3.

<u>Steering Committee</u>

Role:
Setting strategic directions, approving FUA objectives and priorities, and adopting decisions.

Members:

- Leadership of the core city (Mayor, Chief Architect, Head of Urban Development)
- Mayors of partner municipalities
- Delegates of regional bodies (e.g. county government, transport authority)

- Representatives of relevant public service providers
- Representatives of partner sectors – chambers, civil society organisations, universities (with consultative status)

Operation:

- Meets 2–4 times per year
- Decisions taken by consensus or qualified majority
- Decision preparation carried out by thematic working groups and the Coordination Office

FUA Coordination Office (Coordination Body)

This acts as the operational centre of FUA cooperation.

Tasks:

- Managing the partnership structure
- Collecting, organising and sharing data
- Supporting the work of thematic groups
- Coordinating internal and external communication
- Generating and preparing project ideas
- Ensuring monitoring and evaluation processes

Possible organisational forms:

- Dedicated department within the core city administration
- Joint municipal association or consortium
- Development agency or non-profit organisation

Thematic Working Groups (WGs) aligned with the three FUNDA focus areas

1. Human Services WG
2. Green Infrastructure WG
3. Business Infrastructure and Economic Development WG

Tasks:

- Preparing professional analyses and problem maps
- Developing thematic proposals
- Defining indicators
- Compiling project lists and project selection criteria

Members:
Municipal experts, professional institutions, civil and economic actors, universities and research organizations.

Multi-Stakeholder Board

In line with Chapters 3 and 4, the Forum ensures broad stakeholder involvement.

Role:

- Socialising key steps of planning and implementation
- Sharing information with the wider stakeholder community

- Collecting feedback

Operation:

- At least one large annual event
- Thematic mini-forums aligned with the three focus areas
- Online consultation platform (questionnaires, commenting tools)

10.2 Partnership Cooperation, Methods of Involvement, Continuous Forum Operation, Monitoring and Feedback

FUA cooperation can function in a stable and effective manner only if the partnership is continuous, institutionalised and transparent rather than ad-hoc or campaign-based. The purpose of the partnership model is to ensure that municipalities, institutions, enterprises and civil society actors work together in a system that supports cyclical planning, implementation and evaluation.

Framework of Partnership Cooperation

A polycentric, open and flexible partnership system is recommended for the FUA, involving the actors described in Chapters 3 and 4:

- Municipalities and their institutions (cooperation between the city and surrounding settlements)
- Development and service organisations (e.g. transport operators, utility providers)
- Economic actors (local companies, business associations)
- Civil organisations and communities
- The general public, as the legitimising basis for decision-making and project selection

Each actor participates with a clearly defined role, responsibility and degree of involvement.

Methods and Tools for Stakeholder Involvement

Successful territorial-scale involvement combines several tools:

- Open FUA forums (1–2 times yearly): strategic debate
- Thematic workshops: transport, economic development, climate, digital infrastructure, public services
- Online participation platforms: surveys, feedback forms, data-sharing interfaces
- Partnership interviews and focus groups: for key target groups
- Meetings with local project owners: aligning planning and implementation

Stakeholder involvement is continuous and not limited to strategic planning cycles.

Continuous Operation of the FUA Forum

The Forum is one of the most important tools of partnership governance.

Key elements:

- Regular meetings (at least biannually)
- Public agenda and documentation to ensure transparency
- Rotating or delegated representation of municipalities and relevant organisations
- Joint statements integrated into Steering Committee decisions
- Professional presentations and data sharing on territorial processes

The Forum serves a dual function: a strategic consultation space and a platform for project generation and cooperation strengthening.

Forms of Cooperation and Agreements

FUA-level cooperation typically combines formal and informal frameworks.

Formal instruments:

- Partnership Agreement / Memorandum of Understanding
  Framework agreement on operation, responsibilities and financing
- Project-level cooperation agreements: consortium contracts, joint EU or national funding applications
- Municipal association or joint municipal body
  If needed, an institutionalised form (e.g. territorial development association)

Informal instruments:

- Professional workshops
- Shared data-exchange platform
- Regular leadership-level coordination meetings
- Newsletter and online communication channels

Monitoring

FUA planning and implementation require continuous follow-up. Recommended elements:

- Annual monitoring report on progress towards strategic objectives
- Indicators may include: demographic trends, mobility patterns, economic performance, environmental conditions, accessibility of services
- Project-level tracking: milestones, costs, results
- Partnership evaluation: quality and effectiveness of stakeholder involvement
- Feedback loops: integrating results into subsequent decisions and working-group tasks

Monitoring is not only control but also learning, adaptation and decision support.

Feedback Mechanisms

Feedback occurs at multiple levels:

- Public level: processing opinions and suggestions collected via online and offline channels
- Professional level: working groups analyse experiences and revise project proposals
- Governance level: the Steering Committee makes decisions based on monitoring results
- At forum level: public presentation of findings and formulation of joint positions

Feedback ensures that the FUA system remains adaptive, evolving and responsive to local needs.

10.3 Overview of Decision-Making Mechanisms (Consensus, Voting, Delegated Authority)

Decision-Making in the Functional Urban Area

A key element of successful FUA cooperation is a clear, transparent and acceptable decision-making system for all partners. In FUAs—where municipalities of varying size, interests and capacities cooperate—legitimacy and predictability are especially important. Below is an overview of the three most commonly used FUA decision-making models: consensus, voting and delegated decisions.

1) Consensus-Based Decision-Making

The principle of consensus is that no decision is made until all relevant partners at least fundamentally agree or do not raise substantial objections. A decision enters into force when all actors support or do not oppose it. It is recommended for strategic, long-term or high-impact decisions (e.g. shared vision, FUA development priorities, major joint investments).

Advantages:

- Strong legitimacy; implementation is easier and more conflict-free
- Builds trust and reduces territorial tensions

Disadvantages:

- Time-consuming, especially with heterogeneous interests
- Can lead to paralysis if one or more actors veto

2) Voting-Based Decision-Making

Used when consensus cannot be reached or when quick, clear decisions are needed. Decisions are made according to predetermined majority rules. Votes may be equal, weighted (population, financial contribution) or combined. The process is transparent and formalised.

Advantages:

- Quick and unambiguous
- Manages conflicting interests when consensus is impossible
- Allows structured ranking of alternatives (e.g. project lists)
- Weighted models better reflect responsibility and contribution

Disadvantages:

- Smaller actors may feel marginalised, especially under weighted voting
- Less based on shared agreement, reducing commitment
- Less suitable for sensitive or complex issues
- Persistent division may lead to instability

3) Delegated Decision-Making

Partners transfer decision-making authority in a specific area or task to a designated actor (coordination office, working-group leader, expert committee). Delegation is defined in the FUA agreement or rules of procedure. Typically used for operational, technical or rapid-response issues.

Advantages:

- Fast and efficient; reduces administrative burden
- Competent actors handle technical matters
- Frees the Steering Committee to focus on strategic issues

Disadvantages:

- Lower democratic control; requires transparent procedures
- Excessive delegation risks over-concentration of power
- Some partners may feel insufficiently involved

Levels of Decision-Making

FUA decision-making proceeds through several levels following principles of transparency and participation:

- Working Groups – preparation, proposals
- Consultation Forum – consultation
- Steering Committee – strategic decision
- Municipal councils – approval (if required)
- Development agency / association – implementation

Example of Good Practice

In Hungary, an important new component of the recently adopted Territorial Development Act is the Territorial Development Service, which is responsible for preparing territorial development programmes for areas that require integrated treatment. The Service also coordinates project

generation and project screening, provides guidance to final beneficiaries, and operates as a county-level organisation. This model further strengthens the partnership requirements outlined in Chapters 3 and 4, and its territorial presence enables more transparent and data-driven planning.

Let's consider what types of decision-making mechanisms the Functional Urban Area applies—if such mechanisms are already in place—using the table below as a reference.

Question	Example answer	Own answer
How are decisions made? (consensus, voting, delegated decision)	e.g. voting for the budget, consensus for strategic issues	...
Who participates in decision-making, and how are votes distributed?	e.g. each municipality has 1 vote, large city has weighted vote	...
How are decisions prepared?	e.g. working group proposal, expert materials	...
How is transparency and information ensured?	e.g. minutes + online platform	...
What feedback mechanisms exist during implementation?	e.g. annual report, indicators	...

10.4 Participation in Governance and Decision-Making Mechanisms Across the Three Development Focus Areas

Within the FUNDA project, three development focus areas have been defined for the functional urban area (FUA). For each of these, specific governance and decision-making models are recommended.

Green Infrastructure Development

A thematic Working Group (Green Infrastructure Working Group / WG) should be established with sectoral partners (e.g. municipal environmental or urban maintenance departments, environmental authorities / forestry directorates, water management service providers / nature conservation bodies, civil society organisations such as local environmental NGOs).

The WG prepares the professional analysis, spatial/mapping evidence and priority proposals (e.g. green space development, ecological corridors, stormwater management, recreation and biodiversity measures, climate adaptation actions). The preparatory material is validated by the FUA Coordination Office.

Decision-making level:
– Professional/technical matters: delegated decision-making by the WG leader (e.g. indicator

modification, data updates).
– Thematic proposals, project lists: voting among WG members (simple majority).

The FUA Coordination Office designates one thematic coordinator. The WG meets quarterly, and monthly during project phases.

Feedback mechanisms: e.g. Annual Green Infrastructure Forum involving residents, civil society, and professional stakeholders; or an online map-based feedback platform (e.g. gaps in green space provision, problem points).

Example: Łódź FUA (PL) – A formalised cooperation agreement signed by several municipalities defining the coordination of transport and green infrastructure development.

Business Infrastructure Development

A thematic Working Group (WG) is recommended, involving sectoral partners (e.g. FUA economic development experts, municipal economic/tourism departments, SMEs and business associations, financial and innovation agencies).

The FUA Coordination Office may designate a WG leader. Meetings take place quarterly, and monthly during project phases.

Decision-making mechanism: During the professional preparation phase, the WG develops project lists, investment priorities, and innovation opportunities. Operational decisions are delegated to the WG leader. Proposals and project lists are adopted by voting (simple majority) among WG members.

For strategic matters (e.g. major investments, prioritisation of EU-funded projects), consensus-based decision-making is recommended, followed by approval by the Governing Board.

Feedback mechanisms: An annual Economic Forum involving residents, entrepreneurs, and professional stakeholders. A semi-annual monitoring report is submitted to the Coordination Office (indicators: entrepreneurial activity, investments, job creation).

Example: Brno Metropolitan Area (CZ) – The Metropolitan Agency operates the data platform and partnership process; thematic working groups prepare technical decision-making.

Development of Human Public Services

A Thematic Working Group (WG) may be established with sectoral partners (education, social and health professionals; municipal human services departments; civil society and nonprofit service providers; universities and research institutions in community development or sociology).

The WG leader is appointed by the FUA Coordination Office. Meetings are held quarterly.

Professional preparation is carried out by the WG (e.g. situation analysis, needs assessment, service development proposals). Operational decisions are delegated to the WG leader (e.g. project initiation, indicator updates). WG members vote (simple majority) on project lists and priorities. **Strategic decisions** (e.g. human services development plans, major investments) are adopted by consensus and approved by the Governing Board.

Feedback mechanisms: The Annual Human Services Forum with the involvement of residents and civil society. Additional online consultations and surveys support the prioritisation of needs. A semi-annual monitoring report may be required by the Coordination Office (indicators: service accessibility, coverage, satisfaction).

Example: Veszprém–Balaton 2023 European Capital of Culture area – A coordination office and thematic networks managed the cooperation in human service development.

A well-functioning FUA governance system is not based on a single model, but of trust, willingness to cooperate and a long-term strategic mindset among municipalities.

11. Outline Financial Plan and Scheduling

The appropriate selection of financing models and well-substantiated financial plans are essential elements of functional urban area (FUA) planning. In FUA – or any development – planning, a key question is what types and volumes of financial resources can be mobilised to support the planned development activities, and how project promoters can access these funds in an optimal structure. Financial planning requires a multi-year framework capable of accommodating different types of interventions: investments, service development, and soft, knowledge- and competence-based activities. The purpose of the financial plan is to present the main cost categories, financing options and the scheduling of activities in each period in a transparent way, thereby ensuring a stable basis for achieving the objectives.

In cost estimation, depending on the nature of FUA planning, soft-type tasks receive particular emphasis in addition to investment costs: training, capacity-building, knowledge-sharing and networking activities, citizen engagement processes, pilot cooperations, digital capacity development and studies. These activities often require smaller budgets yet represent significant added value, as they support the preparedness of local actors, improve the quality of services and contribute to the long-term sustainability of developments.

The financing background typically relies on a combination of multiple sources. EU funding instruments (e.g. ERDF, ESF+, Interreg, Horizon Europe) are particularly suitable for financing soft-type activities such as training, partnership cooperation, research and innovation, or capacity-building. National and regional funds support stable operation and long-term maintenance, while municipal contributions and private-sector involvement enhance sustainability and strengthen local partnerships and the flexibility of pilot initiatives. Own-source contributions may come from local tax revenues, urban development funds or savings generated by efficiency-enhancing investments. EU and domestic public funding are essential for public service and non-revenue-generating developments; however, it is increasingly advisable to use repayable instruments and loan elements to increase the flexibility of the plan. Market-based development resources – bank loans, private capital, specialised financial products – are relevant primarily for interventions that generate net savings or revenues. Selection criteria can also encourage an integrated financing approach in practice, for example by awarding extra points to project proposals that combine multiple funding sources, involve several stakeholders or aim for impacts at FUA level.

For implementation planning, the development plan should be divided into short-, medium- and long-term phases.
– *Short term:* primarily preparatory and soft-type activities such as analyses, studies, capacity-building, the establishment of partnership platforms, preparation of pilot cooperations and certain procurements.
– *Medium term:* larger-scale, system-building interventions, service development measures and capacity expansions, accompanied by continuous soft activities (training, user engagement, development of operational protocols).

– *Long term:* maintenance, further development and knowledge-sharing, including dissemination of results, expansion of networked cooperation and planning of long-term operational costs.

It is essential that the plan provides a flexible structure capable of accommodating the varying capacities of FUA stakeholders and emerging new needs over time.

In the FUNDA project's pilot FUAs, a concise, indicative cost estimate adapted to national and local conditions and based on the available information is sufficient.

1. Urban Area Financial Framework – General Soft and Hard Activities

Category	Type of Activity	Indicative Share
Hard developments	infrastructure, equipment purchase, digital systems (technical side)	30–50%
Soft capacity-building	trainings, advisory services, organisational development, workshops	10–20%
Knowledge-sharing and partnership	networking, pilot cooperations, joint models	10–15%
Planning and preparation	studies, assessments	5–10%
Coordination and management	programme management, communication	5–10%
Maintenance costs	operation, long-term service costs	10–20%

2. Potential Structure of Financing Sources

Source Category	Type of Source / Examples	Relevance for the Urban Area Plan
EU funds	- ERDF (infrastructure, digital development) - ESF+ (training, human services)	Core funding for integrated physical–human developments; supports territorial cooperation and soft activities
National funds	- sectoral programmes - national development programmes	Complementary funding aligned with urban area goals, coordinated with EU funds

Source Category	Type of Source / Examples	Relevance for the Urban Area Plan
Municipal funds	- own revenues (tax, fees) - partnership contributions	Basis for public-good, non-revenue-generating interventions; ensures local development priorities
Private financing / market sources	- ESCO (energy efficiency) - corporate contributions	For revenue-generating project elements; increases programme flexibility
Financial instruments	- preferential loans (banks) - guarantee schemes	Financing for investments generating savings or revenues; for bankable elements
Innovation / alternative sources	- Interreg (partnership) - crowdfunding	Relevant for pilot, experimental or community-based initiatives; supports social innovation

3. Potential Timeline

Period	Soft-type Activities	Hard-type Activities	Financing Need
Short term (0–1.5 years)	assessments, launching trainings, establishing partnership platforms	minor purchases, preparation	low–medium
Medium term (1.5–4 years)	continuous training, engagement, implementation of pilot projects	main development elements, technical implementation	high
Long term (4+ years)	network maintenance, monitoring, knowledge-sharing	maintenance, further development	medium

Sample Table – Outline Financial Plan (Cost Estimate)

The following sample is based on the context of an average-sized functional urban area mobile human public service project.

1. Cost Estimate by Main Activity Categories

Activity Category	Type of Cost	Estimated Amount (EUR)
Procurement and adaptation of mobile service vehicle(s)	investment	450,000
Digital client interface and administrative system	investment	120,000

Activity Category	Type of Cost	Estimated Amount (EUR)
Launch of professional services (health, social, advisory) in Year 1	operational	180,000 / year
Human resource training in Year 1	operational	40,000
Communication and partnership coordination in Year 1	operational	25,000
Total project cost	—	**815,000**

2. Composition of Funding Sources (Possible Shares)

Source	Share (%)	Remarks
EU funding (ERDF/ESF+)	60%	investments and service launch
National funding	20%	co-financing and other domestic support
Municipal contribution	15%	operational costs and maintenance
Private/partnership contributions	5%	support for technology/professional content

3. Financial Implementation Schedule

Period	Activities	Cost (EUR)
Short term (0–1.5 years)	preparation, needs assessment, vehicle procurement, establishment of digital system, launch of first-year operations	815,000
Medium term (1.5–4 years)	introduction and operation of mobile services, human resource training, communication	300,000 / year
Long term (4+ years)	service maintenance, capacity expansion	280,000 / year