

Local government reform in Denmark

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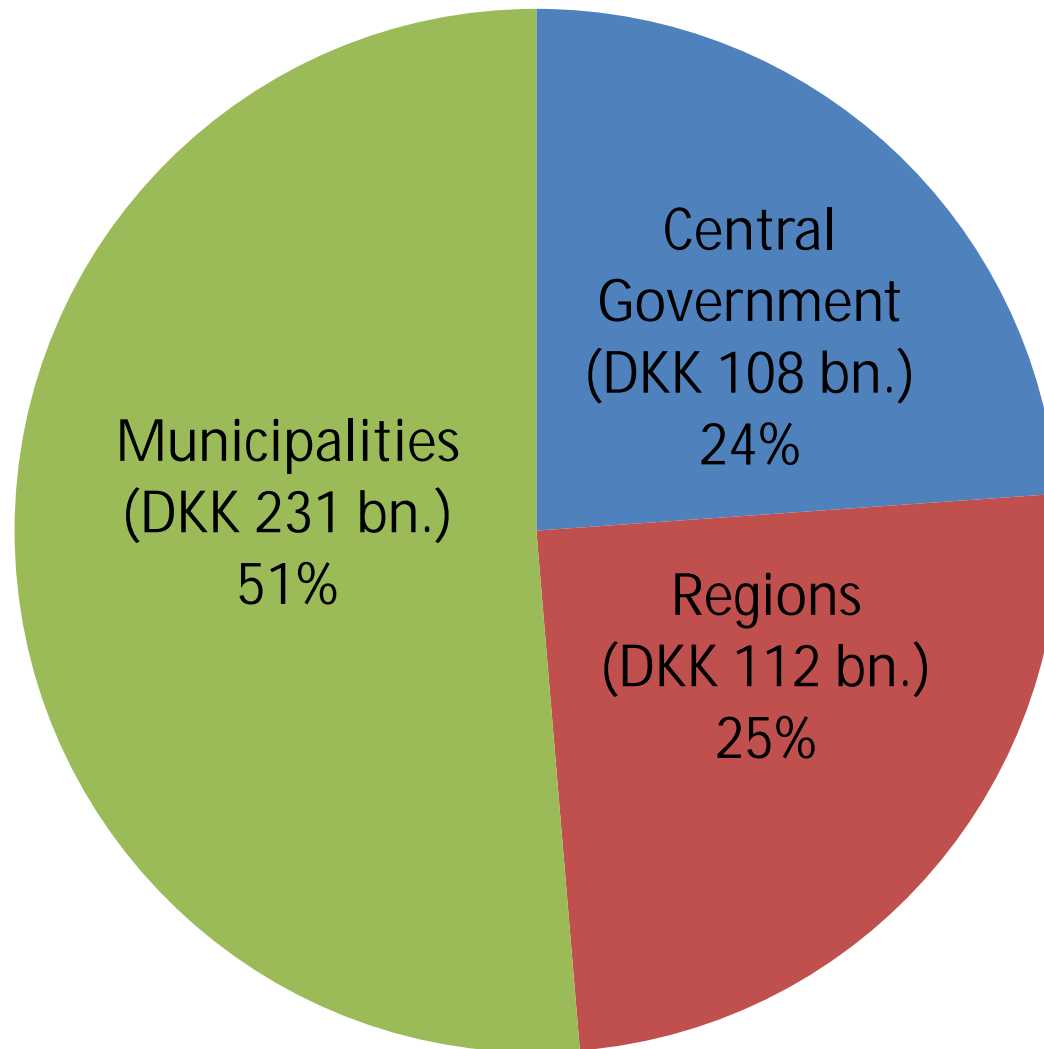
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Local government in Denmark today

- A decentralised welfare state managed primarily by the municipalities
 - Large municipalities
 - Wide range of tasks
 - High degree of autonomy
 - Important to daily lives of most citizens
 - High trust in local authorities
 - Strong civil society



Public sector tasks according to accounts 2014



Development in local government in Denmark

- - 1970
 - 1.400 parish municipalities
 - 25 counties
- 1970-2006
 - 271 municipalities (avg. 20.000 inhabitants)
 - 14 counties
- 2007-
 - 98 municipalities (avg. 55.000 inhabitants)
 - 5 regions

Primary targets of the reform in 2007

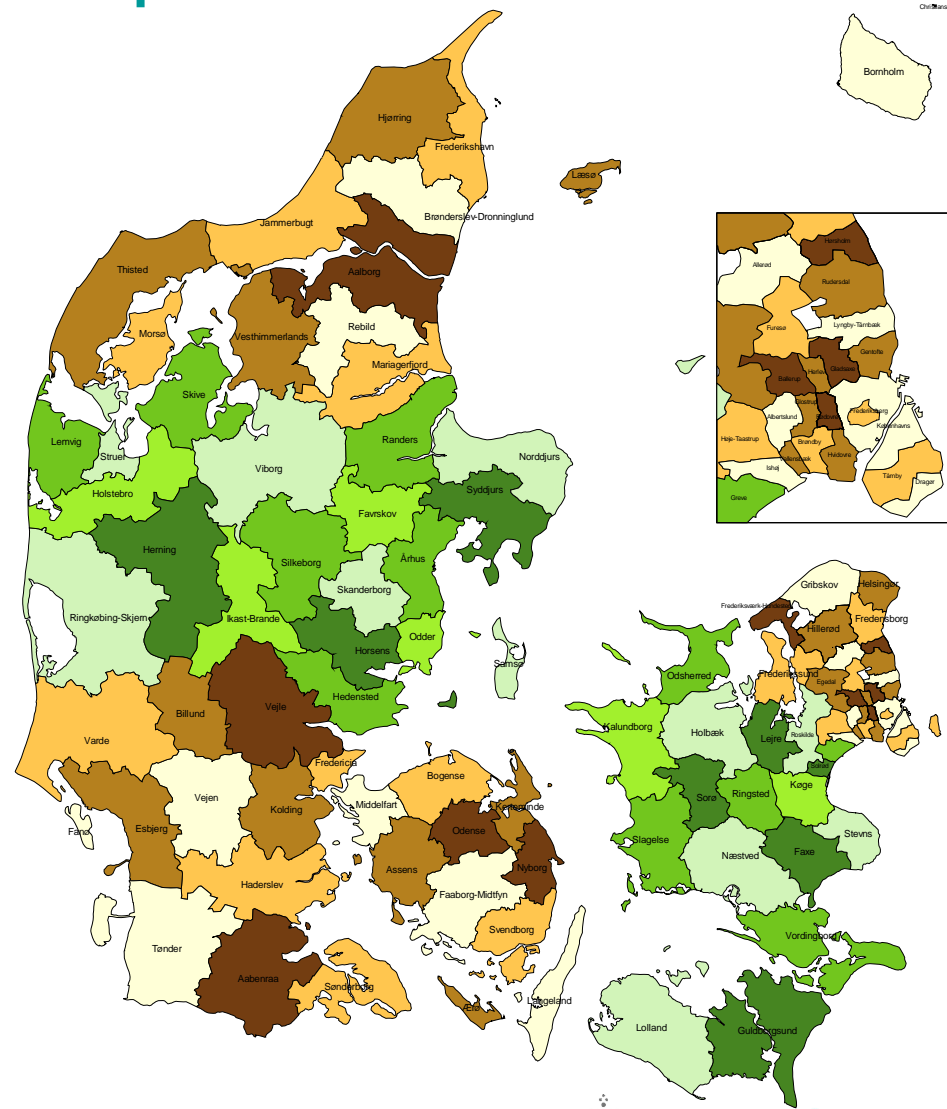
- A simple and efficient public sector
 - Clear lines of responsibility and elimination of “grey zones”
 - Professional sustainability
 - Better service – the municipalities as the primary access point to the public sector
 - Better health service
 - Strengthening of local democracy – more political decisions taken locally
- (No budget cuts – but economies of scale was expected)

Local Government Reform of 2007

- Geography – a new map of municipalities and regions
- Task distribution – municipalities, regions, the state
 - Municipalities – the citizens' main access point to the public sector
 - Regions primarily in charge of hospital services
- Finances – funding and equalisation reform

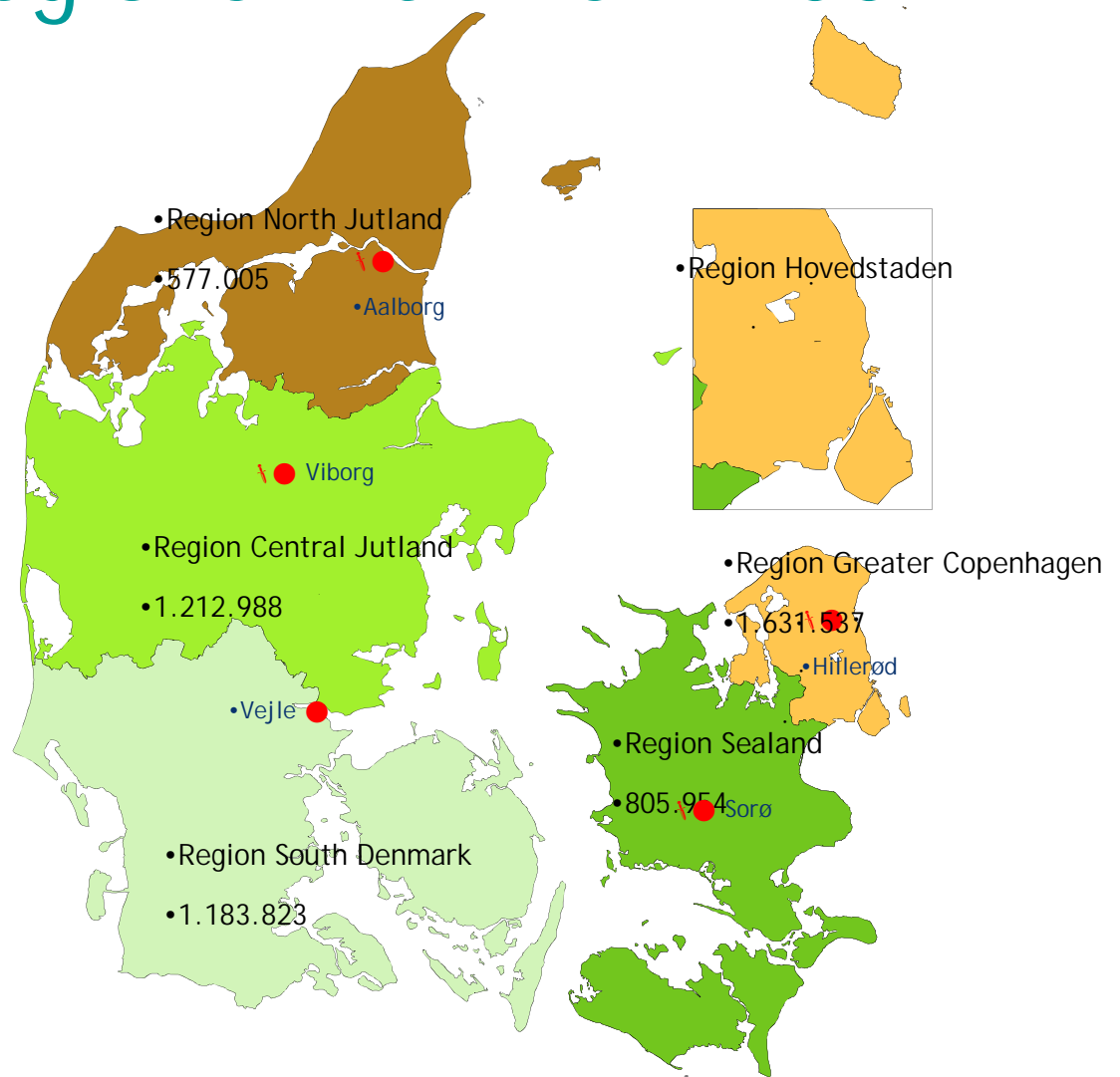
A map of municipal Denmark 2007

- 65 merged and 33 unchanged municipalities
- Population of app. 55.000 inhabitants
- 4.597 → 2.520 directly elected politicians
- The local council consists mostly of between 19 and 31 members



A map of regional Denmark 2007

- 14 counties abolished → 5 regions
- Population of 0.6-1.6 million inhabitants
- 357 → 205 directly elected politicians
- The regional council consists of 41 directly elected politicians



Distribution of tasks 2007

- Regions
 - Primarily in charge of health care (hospital services and family doctor system), regional development plans, tasks related to specialised education and social institutions
- Municipalities (the citizens' main access point to the public sector)
 - Social welfare services, child care, care for the elderly, primary schools, preventive health care, physical planning, environmental protection, public transport and roads, and employment
- State
 - In charge of taxation and education (except primary schools)

Human Resource Management

- Employees were moved with the tasks
- All employees were offered a job as per 1 January 2007
- Most jobs were unchanged even though the employer was changed for approx. 455.000 employees (30.000 relocated physically)
- In 2006, it was a high priority to clarify the future job situation for the employees

Reflections on the process I

Obstacles / difficulties

- Resistance from mayors and local politicians in small municipalities
 - The deal: More competence – bigger municipalities
- Political disagreements on:
 - The elimination of the right to impose taxes at regional level
 - The limited portfolio of tasks in the regions
- Experts in the social and environmental protection fields were reluctant to decentralize more competence to the municipalities

Reflections on the process II

Then, how was it made possible

- A dynamic public debate
 - Within the parties – and in the public in general
- The myth of small municipalities being more democratic was eliminated by new research
- Publication of a Commission report – turning point
- The constant speed created its own snowball effect
- A majority of citizens were in favour of a reform

Reflections on the process III

Controlled voluntary process

- A minimum of 30.000 inhabitants were centrally recommended
 - However, down to 20.000 would be accepted
- Second half of 2004 – local process – who wants to dance with whom
- 1 January 2005 – the municipality councils submitted their suggestions for future municipality formation

Some lessons

- A structural reform may be necessary, but not sufficient in it-self to implement goals regarding quality and efficiency
- A structural reform can open new potentials – opportunities
- Political decisions are still needed – in subsequent years
- Danish municipalities now have a better professional and economic capacity to meet future challenges
- Local democracy is still alive:
 - Local elections voter turnout:
 - 2005: 69,5
 - 2009: 65,8
 - 2013: 71,9
 - 2017: 70,8