

Tervetuloa / Welcome





Local Government Denmark – who are we

- Interest organization for all 98 local authorities
- Employee organization
- Communicate / promote
- Adviser
- Consulting agency

AGENDA

- Some basics about the reform
- First wave of implementation 2007 - 2009
- Status 2011
– *the second wave of implementation*



The purpose of the reform

- Citizens centered government
- Decentralization as a democratic value
- Clear accountability
- Main entrance to governmental services



BEFORE AND AFTER

Before:

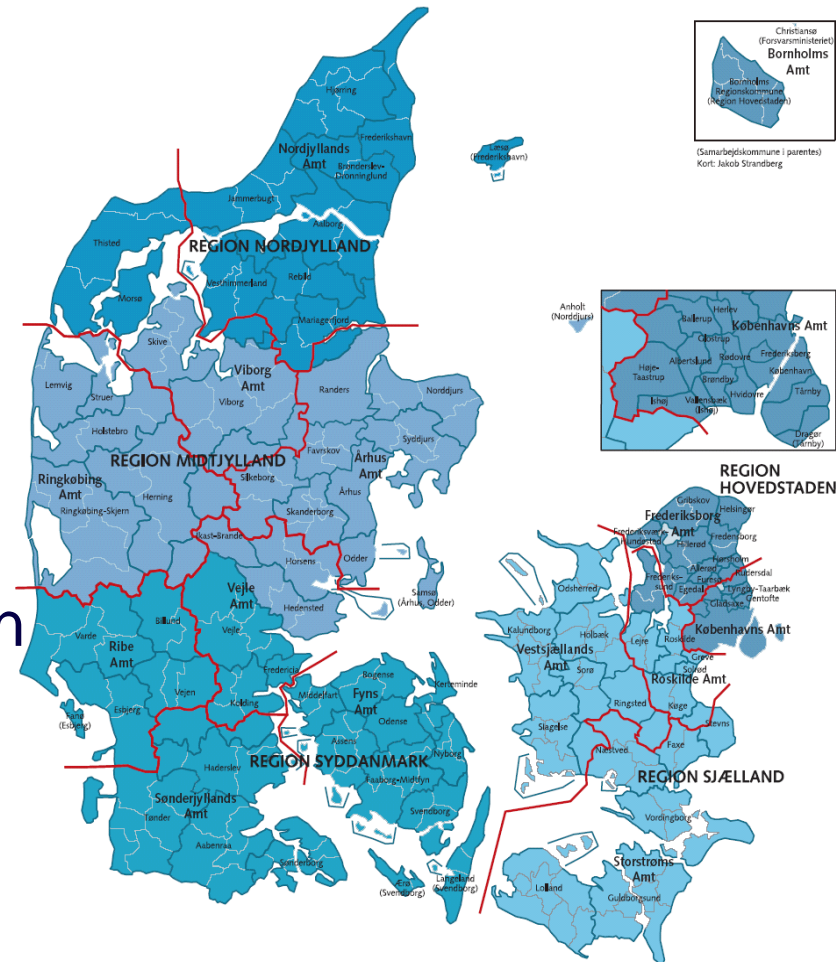
- 13 counties
- 271 local authorities
- Average: 16.000 inhab.
- Median: 10.200 inhab.

After:

- 5 regions
- 98 local authorities
- Average: 55.000 inhab.
- Median: 43.300 inhab.

A new public sector....

- From 269 to 98 municipalities
- More than 300.000 people changed employee
- From 3 to 2 levels of authority
- Responsible for almost all citizen directed areas
- Vision: “One entry to the public sector”



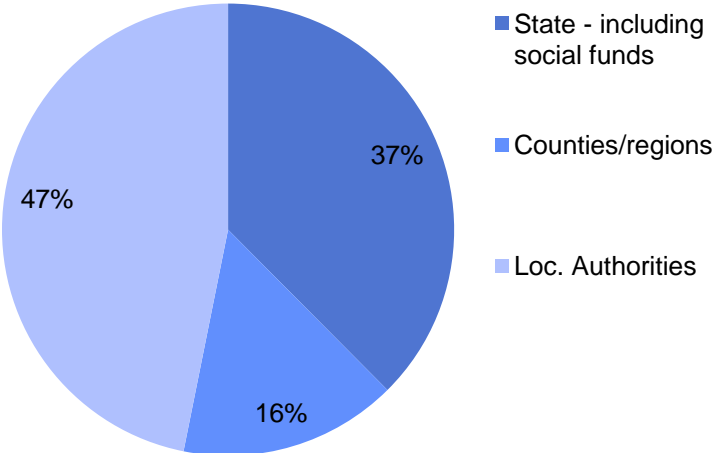
New division of labour – *some examples*

- **State**
Administration of taxes
- **Regions**
Hospitals and few other tasks
- **Local authorities**
Assistance to unemployed (from the state)
Environmental control (from the regions)
Health; rehabilitation (from the regions)
Social services; disabled people (from the regions)
Enterprise policy (from the regions)
Handout; passport, driving licence (from the state/police)

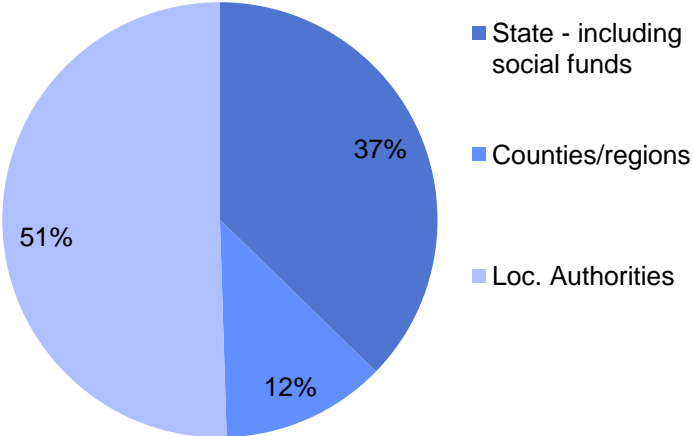


Public spending

2006



2008



Implementing the reform:

FIRST WAVE: 2007 – 2009

- Service harmonization
- Administrative changes
- Focus on implementing and managing the many new tasks



From single units to a local government sector

- Local authorities cooperate more then ever
- Two examples:
 - *Necessity - e.g. the specialized social area*
 - *Effectiveness - e.g. digitalization*

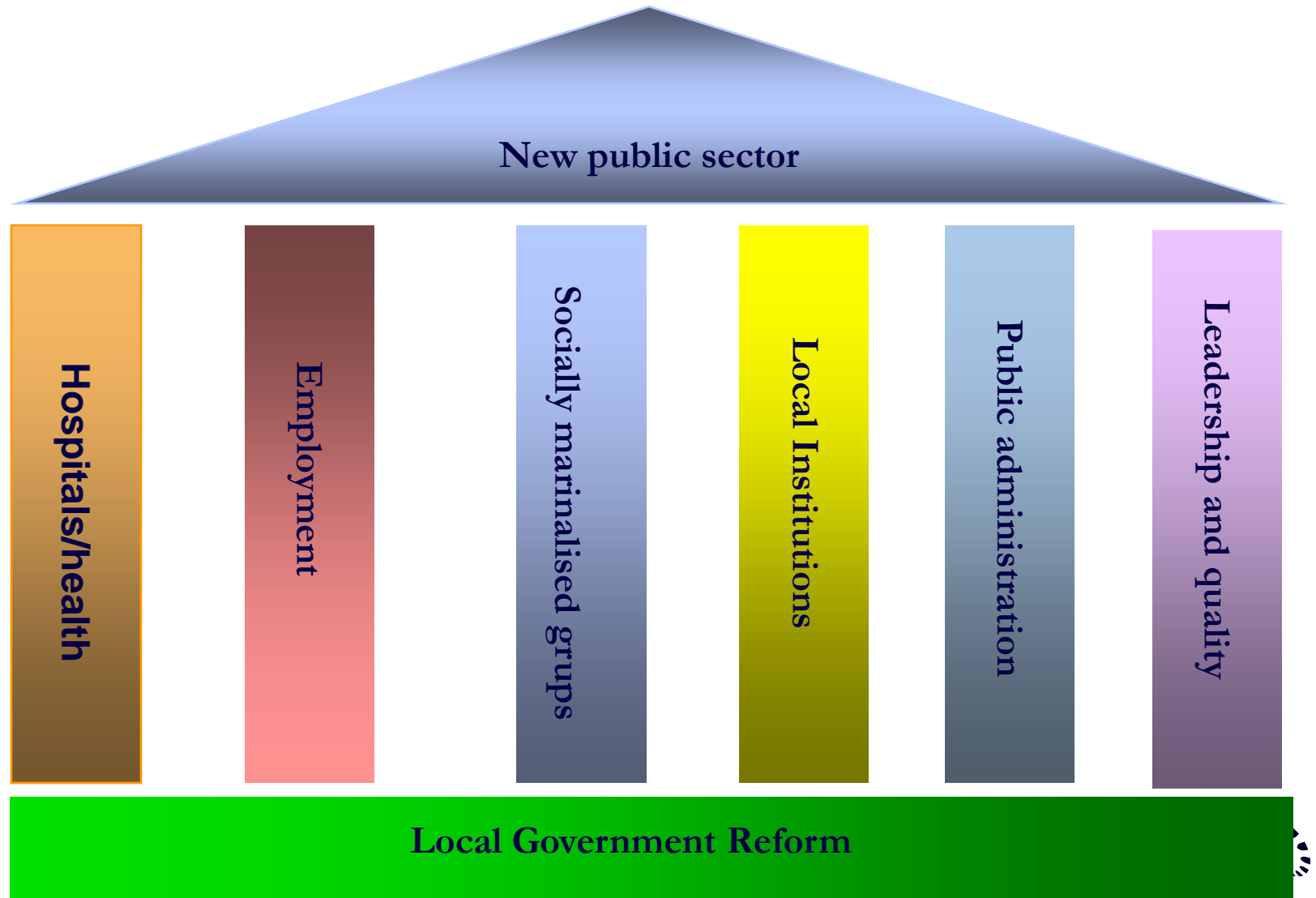
Implementing the reform: **SECOND WAVE 2010 –**

- The foundations for a complete change in the way the municipalities solve tasks has been laid
- Municipalities engage in debate of structure
- Focus on efficiency
- Can the crisis be a catalyst for change?



The reform:

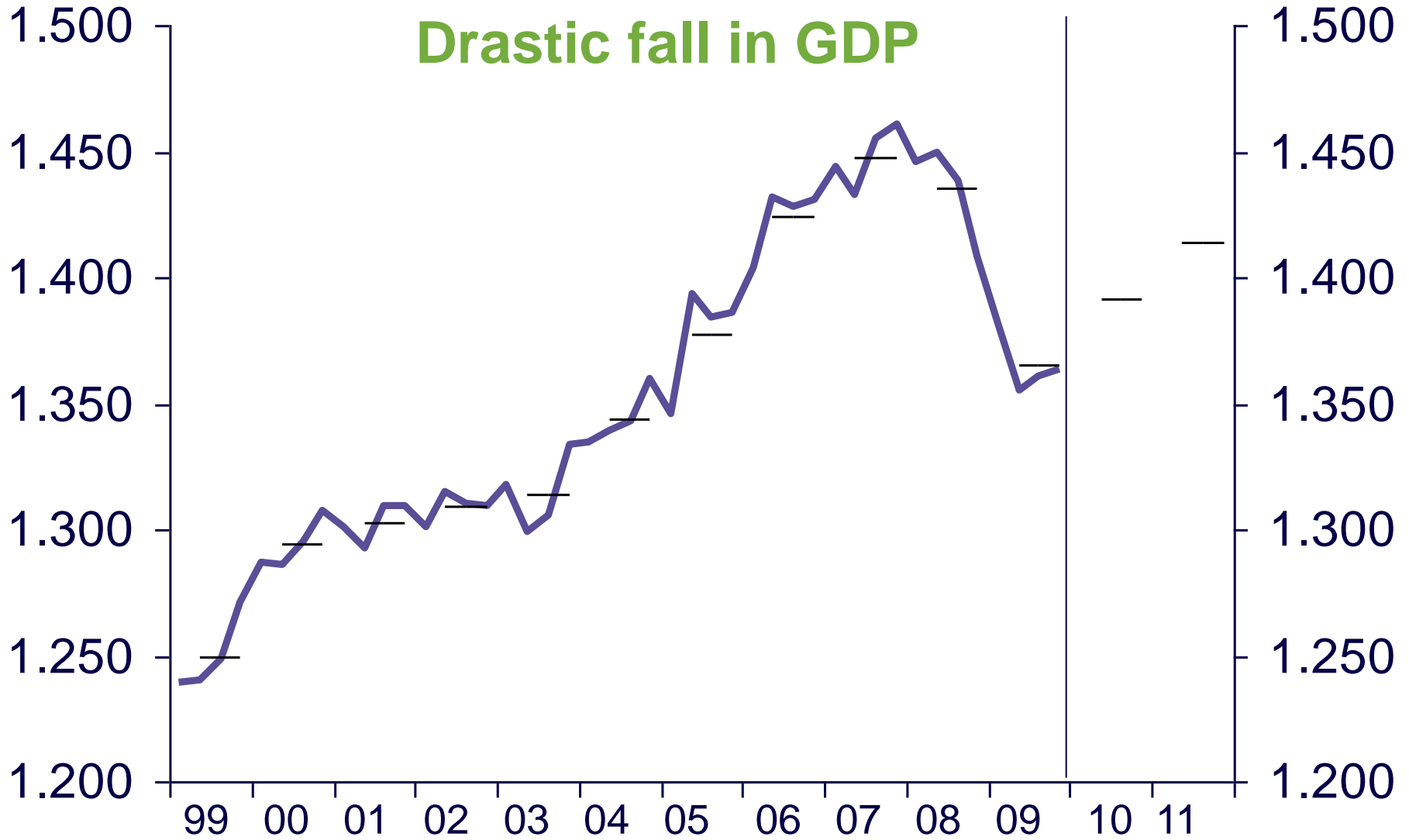
Foundation for change of the public sector



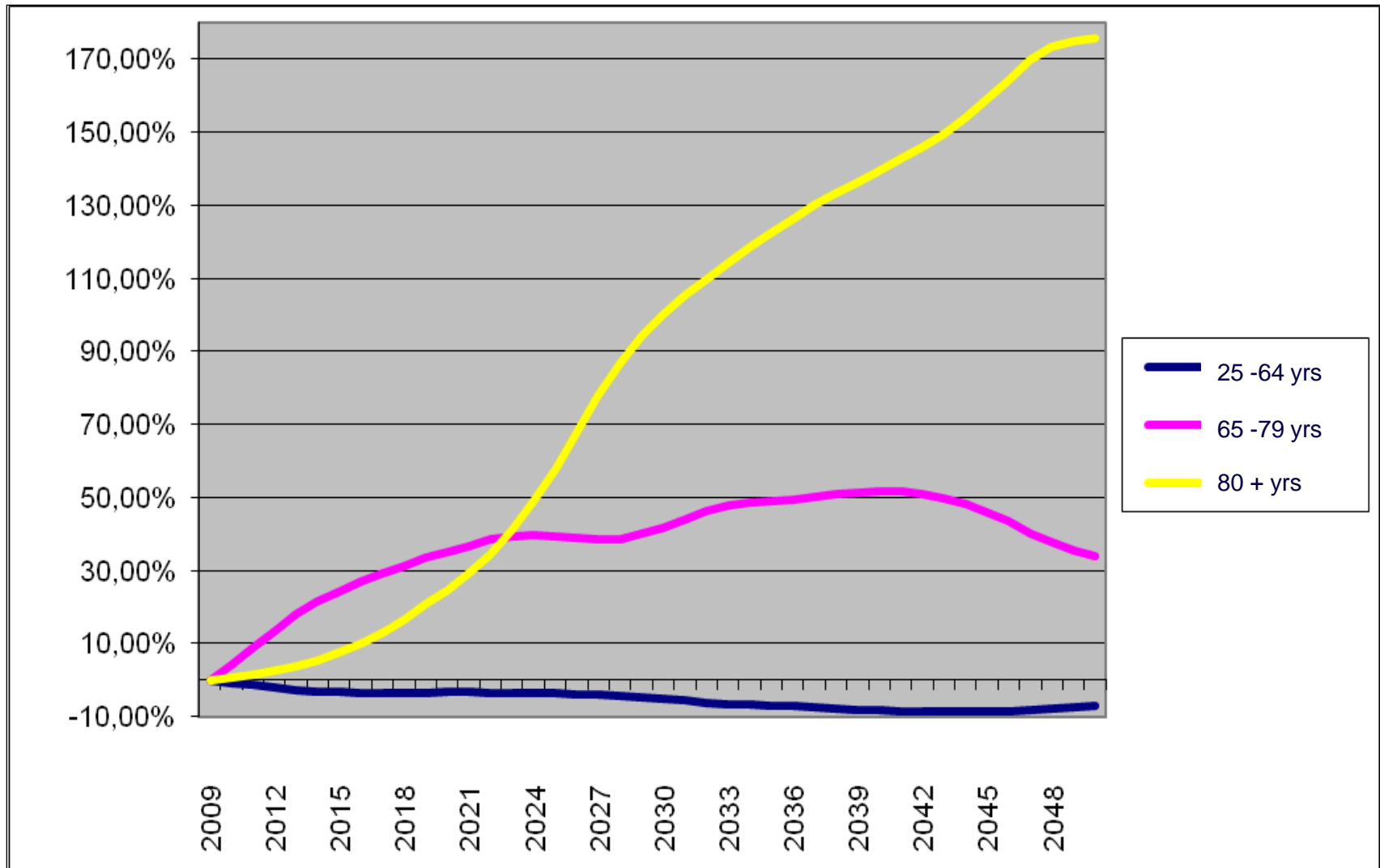
Billions. kr. (2000 level)

Billions. kr. (2000 level)

Drastic fall in GDP



Population development according to age



**The economic crisis and the
scarcity of labour is a burning
platform for structural reform**

**The Local Government reform has
laid the foundations....**

State / municipalities

Cooperation or power struggle?

- We must insist that the vision behind the reform is kept
- Municipalities are best at finding the efficient solutions themselves
- The state has to stop micro manage municipalities
- Digital solutions and innovation is a big part of the answer
- More then ever municipalities needs to work together across sectors



Future perspective

-Is the Danish model in danger?

Two roads:

- 1) *Government centralisation and micro managing on just about all significant areas*
- 2) *The tradition for local self rule is kept and further developed*

Road number 2 depends on:

- That municipalities document significant results on almost all of the welfare areas. We need to be both cheaper and better
- That the state and the municipalities are able to balance political considerations and economic necessities
- That government and parliament respect the division of labour between the municipalities and the state

The Road to the Reform ...

2001	New government in Denmark
2002-2004	Expert commission
June 2004	Political agreement in Parliament
July-Dec. 2004	Local negotiations between municipalities
2005	Changes of some 200 legal acts
Nov. 2005	Local and regional elections
2006	Administrative preparations
2007	Reform into force

