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Intermunicipal collaboration – a smart alternative for small municipalities?

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Abstract

A characteristic of the Nordic states is their ambition to provide their citizens with a variety of good quality welfare services. A significant part of the responsibility for arranging reliable local solutions is devoted to the municipal level irrespective of the size of the municipality. This means a great variation in local capacity to meet different types of requirements. Especially small municipalities, which also face depopulation and an ageing population, are increasingly challenged to find renewal strategies and action plans to secure both municipal service obligations at reasonable cost per capita and competent staff. Besides rearranged internal steering, organizational frameworks, and working instructions, new solutions may be launched based on resource mobilization and a striving for improved performance in a wider spatial context. This paper explores how three municipalities in the north of Sweden have developed a voluntary intermunicipal collaboration and how it relates to alternative collaborative options in the regional context. The strengths and weaknesses of the chosen approach and its outcome are discussed based on interviews with the local government commissioners and their executive civil servants in different positions. The strength of the achieved collaborative profile is that it meets needs for higher cost efficiency and competence among staff within some municipal sectors. Further is noted that the chosen collaborative profile is not challenging the democratic accountability in each municipality. However, a weakness is that the collaborative results achieved after ten years of collaborative intentions are of marginal importance for all involved municipalities. These experiences are reflected upon with advantages and disadvantages of a merge alternative in mind.

Introduction

A general feature across the democratic world is that the local level – municipalities – is characterized by delineations with strong historical roots and related capacity building of local political accountability. This also means that there often exist thresholds for considering and activating alternative spatial divisions of territories for strengthened local policy making.

Sweden has, in line with the other Nordic states, a welfare system across the country where the municipalities are given significant responsibilities for arranging local service solutions to their citizens. The principal profile of this responsibility is the same despite large differences in size of the municipality. One of the main challenges of today for small municipalities in Sweden, in terms of population, is the provision and maintenance of an acceptable level of services. The character of obstacles to overcome are extremely difficult to handle in cases of large internal distances, a widespread settlement structure, and long distances to both neighbouring municipal centres and the regional centre, which is a strong feature of northern Sweden.

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Small municipalities are also fragile in the sense that they are easily disrupted by different types of external driving forces and related changes. Firstly, they are heavily dependent on financial support from the central government and any policy-making taking place at that particular level and in the regional setting. Secondly, their economic climate is sensitive to global competition, and the world-wide economic crisis which started in 2008 has darkened the development perspective. Thirdly, they face increasing problems attracting and keeping young people, leading to distortions in the demographic structure and depopulation. What makes these circumstances even more alarming is that the municipalities play an important role in terms of providing fundamental welfare services to their citizens, especially schooling, family care, care of the elderly, and healthcare. Questions may arise if a municipality has an appropriate size to meet demands and needs among the citizens. A principle dividing line is capacity building through intermunicipal collaboration or mergers of municipalities.

As part of the described development pattern, not only the private sector but also the public sector is shrinking in small municipalities. According to an investigation, a significant reduction in the number of jobs in the public sector has taken place during recent years in small municipalities in the Swedish county of Västerbotten. Since 2000, over 300 jobs have disappeared in the public sector in eight municipalities with approximately 41,000 inhabitants. This is mainly in areas with responsibility on a central government or regional level, such as the police department, healthcare, and the Swedish State Railways (Region8, 2013).

As municipalities share similar weaknesses, problems and challenges, many collaborative approaches across municipal borders have been implemented in recent decades. They aim at more efficient and sustainable service solution arrangements so that the municipalities might continue to meet quality requirements, stability of local tax rate and ensure that people feel safe and secure (Gossas, 2006). Nowadays, this voluntary approach is chosen instead of merging municipalities into larger entities, which is in contrast to mergers who have taken place in other countries in recent years with Denmark as the closest example. For an understanding of this choice, we may refer to the restructuring reforms that were launched by the central government in Sweden between 1952 and 1977 aiming at the creation of economically more powerful and sustainable municipalities (see also Gossas, 2004). This led to a decrease in the number of municipalities from a total of 2,500 to 277 municipalities. After some further restructuring, the number has increased to today's total of 290. In the most sparsely populated areas, rather few mergers took place, despite low population numbers, because of already long internal distances and related transaction costs for various types of interaction. The resistance to mergers was also a matter of maintaining the traditional images of local autonomy and transparent political accountability.

In this paper, we will describe and analyse a representative example of strategies and action plans across municipal borders. The specific aim is to examine the attempts made by the small municipalities of Norsjö and Malå, and, the much bigger, Skellefteå in Västerbotten county – or Skellefteregion as they will be

referred to – to make the supply of services more effective and to accommodate the needs of citizens through collaborative arrangements. More specifically, we will investigate the level of ambition the three municipalities have agreed upon and actually achieved. We will also display alternative collaborative arrangements across municipal borders practised by these municipalities. Our collection of information ended during 2013, which means that changes after that regarding collaborative arrangements are not considered. According to the literature on public administration related to the municipal role we may consider to highlight both democratic accountability and efficiency/cost reduction of measures (compare Kjaer & Mouritzen, 2003). We will focus on the latter dimension.

The Skellefteregion has, as indicated, a character of a city region. Across Sweden we may find several similar spatial contexts with a dominating big municipality and surrounding small municipalities (Lidström, 2004/2013). The chosen case thus has several national reference contexts and may contribute with experiences of interest for these on collaborative approaches and their results. The study is also of relevance in a broader Nordic context. In both Finland and Norway we may find similar regional settings of municipalities. However, a contrast is that in these countries a merge process is given high priority on the national agenda.

Theoretical perspectives

Since the 1960s, Swedish municipalities have a key role in providing their citizens with a variety of welfare services. To fulfil this role in a way that meets quality and accessibility standards according to nation-wide political agreements, rules, and laws, a redistribution of tax resources in terms of a multifaceted transfer system has been in operation. Through this tax equalization system, municipalities with limited financial resources because of low population numbers and a weak economic structure receive a substantial contribution to their budgets every year. The transfer system has two major components: income equalization and cost equalization. However, five regulatory instruments exist in total. Besides substantial contributions from central government, substantial sums are also reallocated among the municipalities and county councils (Stockholms handelskammare, 2009). Another pillar for the initial distribution of welfare services across Sweden was a combination of the merging of municipalities and the implementation of a spatial service structure inspired by the central place theory (see e.g. Christaller, 1966). In small and sparsely populated municipalities, the municipal centre was thus given a unique position as a service centre, but a few smaller locations also formed an important part of the spatial structure of welfare distribution to facilitate accessibility, quality, and safety.

The Swedish model shares many features with welfare models implemented in the other Nordic countries. They all build on principles of risk distribution and equal distribution of welfare resources across the country. However, in recent years, a growing number of small municipalities, in particular with declining and ageing populations, face problems maintaining service levels within their budget

frames despite tax redistribution which is higher per capita than for bigger and more densely populated municipalities. An obvious problem is that the established structures of some services have low flexibility for successively adapting them to changed needs or demand. This often leads to stepwise rising per capita costs, also labelled threshold costs (Wiberg, 1983). Both over capacity and under capacity create management problems and requirements for harder prioritization.

What path should municipalities that are struggling to secure municipal service obligations at reasonable cost per capita embark upon – intermunicipal cooperation or merge? According to the literature the answer is ambiguous (Reingewertz, 2013; Slack & Bird, 2013; VGN, 2010). More studies in this area are needed in order to give convincing arguments for either option. As mentioned the aim of this study is to present a representative Swedish case of intermunicipal collaboration. Such an approach may in some respects have the potential to achieve similar results to a merge, but maintains the spatial structure of local autonomy and retains the voluntary and flexible option of choosing the territorial and functional contexts for collaborative efforts. In Sweden has also in a general way been discussed an alternative in terms of an asymmetric division of responsibilities between municipalities (Statskontoret 2005:24, 105ff, SOU 2007:11, p. 141-163). However, conclusions made in a report by Statskontoret (2005:24) are that such a differentiation of responsibilities among municipalities is not suitable for managing their problems and challenges.

An internal organisational option, maintaining local democratic traditions, within the framework of a merged municipality is neighbourhood councils and related decentralized administration with specific responsibilities. Such references can be found both in Sweden and in Finland. Katajamäki & Mariussen (2013) report on how this concept was considered for a merged municipality in the Finnish Vasa area with references from the implementation of such concepts in Swedish Umeå (reflecting the former municipal division) and Finnish Rovaniemi. However, we may also note that recently a decision was taken in Umeå to close down these neighbourhood councils. Responsibilities for the neighbourhood councils in the Umeå context included issues regarding schools, young people, leisure, culture, libraries, family, the elderly, and services for the disabled.

A further alternative, practised in Sweden, is the possibility of collaborating across municipal borders in the form of a local government federation (in Swedish 'kommunalförbund') for dealing with certain responsibilities (SFS 1991:900, 3 ch. 20-28). The role of such an organizational framework is to take full responsibility as the authority for the issues agreed upon and thus be responsible for the decision-making. Today, we can find approximately 90 such organizations across Sweden, which indicate a weak interest for this kind of organizational framework. A similar concept ('samkommun' or joint municipal boards) exists in Finland and is much more common there. The main reasons for the existence of these boards are that the number of small municipalities is much greater and there is a lack of county councils responsible for healthcare issues, which is a contrasting difference compared with Sweden.

In efforts to set the territorial context for an intermunicipal collaboration, it may be worthwhile considering various aspects of proximity and their role in strengthening the prerequisites for a successful collaboration. Not only geographic proximity matters. With reference to Boschma (2005) and Shearmur (2011), a combination of the following five proximity dimensions seems important to consider:

- Cognitive (sharing a common vocabulary and conceptual framework).
- Organizational (capacity to coordinate and exchange information).
- Social (micro-level social ties of friendliness and trust).
- Institutional proximity (macro-level routines, rules, and regulations).
- Geographic proximity.

Functional proximity may be added to this list to emphasize the role of sharing a common labor market which means economic interdependencies because of commuters.

Some of these proximity dimensions also relate to a discussion by Fredriksson (2013) on obstacles that may occur in collaborations across public sectors and between public and private actors. She labels one such major obstacle "sectors mentality". Besides sets of rules and regulations expressing conflicting norms, conflicting understanding, perspectives, and interests may also appear. This type of potential obstacle may also appear between municipalities. Thus, a basic prerequisite for collaborative approaches is the development of shared mental images of strengths, weaknesses, threats, and options which may act as points of departure for strategies and action plans. Obstacles for successful results of collaboration may also appear in form of various types of costs. With reference to Feiock et al (2009) we may in this context especially mention costs associated with the process of negotiating an agreement and agree to a division of the achieved surplus, and costs associated with monitoring and enforcing the agreement.

Collaboration may mean various approaches and complexity. According to Baldersheim (2003), the following four levels of collaborative ambition across municipal borders may be implemented. The lowest level is consultation, the next is coordination, this is followed by agreements through contracts, and the highest level is collaboration through a joint political board, but with final decision-making done by each municipality's council. With arrangements at the two highest levels, more distinct results of intermunicipal agreements may be achieved.

Viewpoints on how to climb this ladder depend on economic preconditions and an awareness of options related to the integrative alternatives. In many cases, municipalities are caught in strong path dependencies (Maier, 2001). Despite a decrease in population and an ageing population across several decades, adaptation patterns have a rather passive and reactive character. This may be explained by the fact that there are plenty of examples where local politicians have

faced strong resistance from the inhabitants to revised service concepts. In focus for such reactions are schools, primary medical care, and healthcare.

Besides a path dependent threshold for the launch of more sustainable proactive alternatives to meet the future, three basic principles of governance are relevant for consideration in the practical work across municipal borders: juridical, ideological, and economic. The strongest types of steering mechanisms are formulated as general laws passed by the central government. They give very limited room for tailor-made local arrangements either within municipalities or across municipal borders. In efforts to collaborate across municipal borders, differences in ideological principles and budget sensitivities must be handled. In principle, a common ideological base facilitates agreements about the character of collaborative concepts.

Three result dimensions may be considered (Flynn, 2007). One is internal efficiency or cost efficiency, which is thus a measure of productivity. Another is external effectiveness. It has a broader meaning and captures the ability to produce goods and services that are desirable and needed in the municipality. A third is dynamic efficiency, which stresses the innovative capacity to handle needs and related challenges. Ways of achieving better external effectiveness may be in the form of a direct change of allocation profiles or an indirect consequence of better cost efficiency. Furthermore, it should be stressed that efforts to achieve large-scale advantages and better access to relevant skills form an essential part of the challenge (Svenska Kommunförbundet & Landstingsförbundet, 2003).

Intermunicipal collaboration encounters two sensitive types of strategic issues for consideration. One is political accountability for quality, accessibility, reliability, and cost structures, and the other is locational patterns of services (compare Baldersheim, 2003). Simultaneously considering these two dimensions may in some specific cases mean a complicated decision-making context that may activate rivalry between the municipalities. The traditional municipal space of autonomy is challenged in the processes of finding common efficient and sustainable solutions.

Reasonable accessibility conditions for different groups of service consumers is a critical part of the service dilemma in the type of municipalities highlighted here. Accessibility is a concept that includes two types of interpretations. The first is the physical distances individuals must overcome in order to achieve their service requirements. The other is the economic distances depending on e.g. age, solvency, and available capacity for service trips. It is crucial to consider both in strategies and action plans regarding the organizational and spatial frameworks of services provided.

Collaboration may generate a spatial spillover. In other words, it may have unintended consequences on municipalities located in the proximity. This essentially means that other municipalities become inspired to start similar collaborations or join the current one. A closely related term is political spillover. The concept denotes the phenomenon whereby political leaders shift their expectations, political activities, and loyalties in order to deal with the new challenges

and options they are facing. As a result, the political leaders may also promote further integration which, in effect, means that they add political stimulus to the process.

Our principal analytical approach may be summarized according to Table 1. It illustrates that at each level of the collaborative concept, three result perspectives may be considered (a) better cost efficiency in the municipal organization, (b) more secured services for inhabitants, and (c) the implementation of innovative tools

Table 1. Types of intermunicipal collaboration and result dimensions.

Type of collaboration a) Internal efficiency b) External effectiveness c) Dynamic efficiency
Consultation
Coordination
Contract
Joint political board

Method and empirical material

In order to gather information and achieve an understanding of preconditions, identified challenges, ongoing strategies, and action plans (compare Chen, 1990), interviews were undertaken with local government commissioners and their executive civil servants in different positions in the three municipalities composing the Skellefteregion. As the chosen persons have key positions in each municipality they share a common responsibility for achieving fruitful results and have democratically anchored mandates to work for that. The interviewees are thus both informants and representatives for the local political leadership. Manuals with predetermined semi-structured questions were used. However, the order of the questions was sometimes changed and follow-up questions were raised in order to extract as much information as possible. Some of the interviews were conducted during site visits, while others were conducted by telephone. In total, nine interviews were conducted. Of these, four were undertaken in the small municipalities of Malå and Norsjö. The interviews took between 20 and 60 minutes and were recorded with the permission of the interviewees. In addition, information was gathered from documents describing the structure of the collaboration and thematic work plans. As several similar processes are ongoing in other parts of Sweden, various types of reports from these efforts form a reference for the chosen case.

A more precise way of handling the collected material has been to adopt a thematic analytical approach in order to report information and assessments in a systematic form (Braun & Clarke, 2006).

Our findings have also been presented and discussed at a seminar attended by politicians and civil servants from the study area. Experiences of municipal organizational frameworks and related policy orientations in Finland and Norway were also presented and compared at the seminar. This exercise, with its transnational dimension, gave valuable input to the final conclusions. The Swedish case is characterized by a locally initiated and voluntary integrative process with no direct intervention from the central government, while the initiated merge processes in Finland and Norway are driven by the central governments.

Study area

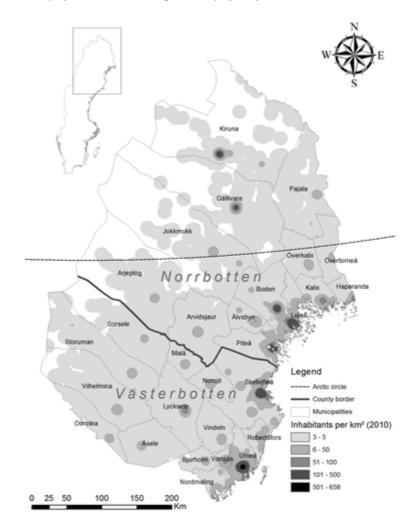
Northern Sweden is both sparsely populated and has low population numbers. A further feature is the internal contrasts in settlement density and demographic development. Most major cities and towns are located like a string of pearls along the Gulf of Bothnia. Only a few of them have had growing populations during recent decades. The other municipalities are characterized not only by sparse settlement structures but also by a declining and ageing population. This means a weak and fragile spatial structure across large territories with challenging preconditions for the supply of reliable public as well as commercial services within reasonable reach for the inhabitants. The chosen study area - Skellefteregion - is a clear example of such a structure. In a major part of the territory of the three municipalities, population density is less than five persons per square kilometer. Even though one of the municipalities, Skellefteå, has approximately 71,700 inhabitants, large areas of it share rather similar challenges regarding the provision of services as those of Norsjö with around 4,200 inhabitants and Malå with 3,200. Table 2 illustrates the population trend and demographic profiles compared with the average for Sweden, and Figure 1 displays the spatial structure and population density of the two northernmost counties of Sweden. We can observe a significant depopulation of the two smaller municipalities and also a much higher proportion of elderly there compared with the national average. This is the continuation of a negative trend over several decades for these municipalities. A further characteristic feature, besides dominant municipal centres, is that few sub-centres or towns act as complementary supply locations for both public and commercial services. All three municipalities share a border with the county of Norrbotten, which has even more sparsely populated municipalities in its interior.

Table 2. Population characteristics 2012 for the municipalities of Skellefteå, Norsjö, and Malå compared with the average for Sweden

	Skellefteå	Norsjö	Malå	Sweden
Population change 2002-2012 (%)	-0.1	-8.1	-10.1	6.9
Share 0-19 years	22.0	22.2	21.4	22.8
Share 20-64 years	55.9	52.3	53.6	58.1
Share 65- years	22.1	25.5	25.1	19.1
Population density (inhabitants per km²)	10.5	2.4	2.0	23.4

Source: Statistics Sweden (2013).

Figure 1. Administrative division and population density in the two northernmost counties of Sweden. Skellefteregion is located in the northeastern part of the county of Västerbotten. Map courtesy of Olof Olsson.



The current collaboration between the municipalities was established 2003 and was, up to 2013, labelled Trekom. Further may be mentioned that all three municipalities are part of the countywide Region Västerbotten. This is a political co-operative organization which is responsible for regional development issues in Västerbotten county. Region Västerbotten was established in January 2008 by Västerbotten County Council and the county's 15 municipalities (www.regionvasterbotten.se).

Collaboration on voluntary and flexible terms

When the collaboration in Skellefteregion started in 2003 it was not quite from scratch. During recent decades, different forms of collaboration have taken place between the three municipalities. Further, it may be noted that Norsjö and Malå were merged between 1974 and 1983 based on a decision by the central government as part of the national municipal merge reform at that time. However, in this case, there was local resistance which after just a few years led to permission being granted to take a step back into separate municipalities. Despite this experience, there remained interest for collaborative frameworks but on voluntary terms. The major motives are that the three municipalities share cultural influences and to some extent constitute a functional subregional context in terms of mobility to jobs, services and leisure activities. There is a clear consensus among the interviewed local government commissioners and their executive civil servants regarding intermunicipal collaboration as an easier and more transparent way of meeting rising costs compared with a merge which would mean a completely new organization and related power structure. Furthermore, motives for collaboration across municipal borders were stressed as of special importance for the smaller municipalities with their clearly declining capacity to handle the needs and demands of their inhabitants. One respondent expressed this in the following way:

It is quite obvious that inhabitants have the same demands on a small municipality as they would on a bigger municipality.

Another respondent expressed his concern about meeting quality criteria in his municipality.

Our small municipality with its 3,200 inhabitants has difficulties in obtaining and retaining competence within certain areas of expertise.

Further may be stressed that the collaborative framework of Skellefteregion has a voluntary profile and it makes consensus-based decisions.

We never vote. It is consensus-based. Nobody is forced to collaborate and it is on the municipality's own terms.

Another feature is an agreement that collaborations may range from being between only two of the municipalities to joint initiatives with additional municipalities in a regional (county) and/or cross-regional context. The interviewed expressed that an advantage of this open space approach to initiatives and action plans is the opportunities maintained by each municipality to steer and control their collaborative efforts based on their own terms. However, our conclusion is that this means rather diffuse prerequisites for introducing more integrated and sustainable, organizational structures in the spatial setting of Skellefteregion.

The collaborative profile

In the following, we describe the collaborative framework of Skellefteregion by referring to the four step ladder presented by Baldersheim (2003) and displayed in Table 1. The lowest level of collaboration, consultations, commonly occurs between all three municipalities. This means an intermunicipal forum for the exchange of information, discussions of experiences, and launch of ideas within a wide range. The following themes are listed: technical issues, E-government, labour market issues, family issues, unaccompanied refugee children, alcohol and drug counselling, demographic challenges, rural development issues, railway transport, municipal marketing, attractive culture and schools, competence requirements, and issues related to generational changes among staff in the municipal organizations. Our conclusion is that the consultations are open-minded towards all three result dimensions presented in Table 1 but with diffuse result perspectives.

A collaborative effort on the second level, coordination, regards mutual further training of employees. The learning sessions take place in Skellefteå, and include employees from all three municipalities. Training courses regarding social services are also held. Joint meetings are held where the heads of the respective departments discuss and agree upon different modes of operations. Our interpretation is that the focus is on achieving higher internal efficiency.

Another agreed coordination effort regards the procurement of various goods and service. It makes the process cheaper but also aims at opening up more options for local companies to deliver, which in turn leads to better external effectiveness. One local government commissioner stated:

In order to develop our business community, we need procurements that make it possible for our artisans and small companies to take part in them ... Collaboration with Skellefteå is common in the sense that when Skellefteå plans to purchase something they ask Norsjö and Malå if they want to take part in it.

Regarding the third level, contract, there exist a budget and debt guidance contract and a consumer guidance contract which both are focused on achieving higher internal efficiency. Further, may be mentioned that there exists an upper secondary school collaboration agreement which means in effect that the young people can choose freely whether to apply for schooling in their municipality of residence or in another, irrespective of whether their municipality of residence offers the same education. This may be interpreted as a measure with positive outcomes both in terms of internal efficiency and external effectiveness. Establishing this agreement was important above all from an economic viewpoint, i.e. creating what they refer to as, a 'county price list' for various types of expenses which works as a decision basis regarding the allocation of resources. The upper secondary school collaboration agreement is thus not exclusively for the municipalities within Skellefteregion but for the county as a whole. Here, we may also notice that the collaborative setting is not focused on options within Skelleftere-

gion, but extended to neighbouring municipalities both in Västerbotten county and in Norrbotten county. In Malå, this collaboration has been expanded in the following form. Malå's upper secondary school is a branch linked to upper secondary schools in the neighbouring municipality centres of Lycksele and Arvidsjaur. The concept is that pupils from Malå undergo part of their education at these external schools. A similar approach is being considered in the municipality of Norsjö. At the request of local politicians, the possibilities of expanding a collaborative link to the upper secondary school in Skellefteå is currently being investigated.

I got a request from the politicians to investigate the upper secondary school in Norsjö. The reason for this is that we have few applicants because of the low number of pupils graduating from upper-school every year – approximately 40. Last year there were only six applicants to Norsjö upper secondary school, which led to the decision not to start any programs.

The fourth and highest level of collaboration is through a joint political board. Four joint political boards have been established. However, in all four cases the set of collaborating municipalities is not exclusively between all three municipalities of Skellefteregion. A joint board for staff and salary systems is established that encompasses all three municipalities of Skellefteregion, but in addition also Arvidsjaur municipality. A joint board for building issues, environmental issues, and emergency issues is established only between Malå and Norsjö, A third joint board is for sanitation issues. Here Malå and Norsjö have preferred to include the municipality of Sorsele. The fourth is a joint chief guardian board that only includes Skellefteå and Norsjö. According to the respondents, these joint political boards are established with emphasis on achieving better internal cost efficiency.

All respondents agree that there is a high degree of respect and understanding among the municipalities because they are, so to speak, all in the same boat despite differences in population numbers. One respondent commented on this in the following way:

... Skellefteå has 72,000 inhabitants but their challenges are similar to ours because they have 35,000 inhabitants living in the city while the remaining population lives in smaller towns and villages.

The most visible examples of better cost efficiency due to the collaborative efforts are reported in cases where joint boards have been established. One respondent stated the following:

Skellefteregion's sanitation board is today more cost-effective because if we did not have this agreement we would all have a garbage truck each ... Now we have one garbage truck that goes from Bastuträsk up to Ammarnäs. And that is a distance of 350 kilometers.

Another example of better cost efficiency reached through Skellefteregion is exemplified with reference to the actual savings made since 2010 by the board dealing with building, environmental, and emergency issues:

In 2010, the total cost for our three building and environmental services boards was SEK 121,000. The joint board now costs us SEK 18,000.

Another respondent clarified how they make these savings and what they imply:

It refers to both personnel and plenary session costs... We have [nowadays] a more rational and pragmatic approach [within the administrations].

A further crucial structural change that has taken place within Skellefteregion is the expansion of the school management districts which, in effect, means greater commitment from and responsibility for the principal. One of the main reasons for this is the diminishing number of pupils in schools across the municipalities. These kinds of structural changes are inevitable according to the respondents. One result of such a restructuring measure is also the arrangement of a more attractive position for a highly qualified person in this field since it is possible to offer a full-time position. In addition, it is also a way of achieving better cost efficiency.

The opinions among the respondents vary concerning whether or not Skellefteregion collaboration has made it easier to acquire relevant competence in different service areas. A respondent in one of the smaller municipalities referred to the competence, or services, that they buy from Skellefteå as a way of obtaining expertise – they are primarily buying consumer guidance and competence regarding debt restructuring. In addition, joint employee training sessions are also seen as a means for the further acquisition of relevant competence. Another respondent stated that it will take time until Skellefteregion can be said to have made it easier to acquire competence. However, he thought that the collaboration would surely have an effect in the future, referring to the joint boards as catalysts for acquiring competence in various service areas.

As mentioned above, consensus is more or less Skellefteregion's benchmark. It is facilitated by the fact that the political majorities in all three municipalities have a similar ideological profile. The respondents stress more problematic relationships with central government and its policies. Structural changes made by central government authorities make it more difficult to access expertise. One respondent expressed his concerns regarding this negative trend in the following way:

It is miserable because the government centralizes all its activity. Like in all the other inland municipalities, the Social Insurance Administration has left our municipality, and the National Board of Forestry is leaving this fall.

Another aspect of the collaboration is how the citizens consider their influence and participation in this type of work which aims at building stronger capacity to deal with municipal tasks. As the measures implemented up to now, with the exception of the freedom of pupils to choose upper secondary school across municipal borders, do not directly affect citizens in any obvious way, questions about the democratic legitimacy of consensus decisions across the municipal borders have not arisen. One respondent stated:

The citizens do not know much about this [internal systems]... They do not know and they do not see that we are becoming more efficient.

Besides the reported collaborative initiatives, the municipalities have together increased capacity for considering viewpoints and ideas on service provision issues among people living in the rural areas. This dialog is open not only for discussing municipal obligations but also how various types of commercial services should be provided in the future. One base for this has been an EU Leader program across the rural areas of the three municipalities run by a local non-profit organization between 2008 and 2013. Another is an ongoing project sponsored by The Swedish Agency for Growth (Tillväxtverket) labelled "Pilot municipalities for the development of services". This is managed by Skellefteregion's steering group. A few similar pilot projects have been simultaneously launched in other parts of Sweden. Up to the end of 2013 no structural results have been achieved through these projects. However, according to the interviewees, the initiatives act as tools for developing a common understanding of problems and mobilizing individuals and groups to consider various types of strategies and concrete actions.

The respondents emphasize the fact that they are in the process of implementing new elements within the collaboration, namely smartphone applications (also known as 'apps'). This kind of Information Technology (IT) based solutions for service provision to citizens is at the top of Skellefteregion's agenda. The municipality of Skellefteå has also taken a leading position in the effort, including implementation across all municipalities in the county of Västerbotten. The app is constructed to deliver specific information for each municipality. A respondent in one of the small municipalities stated the following:

We, as a small municipality, cannot possibly initiate and complete these kinds of development projects because of extremely high development costs.

The app developed for Skellefteå is labelled 'Mitt Skellefteå' which means 'My Skellefteå'. It was released 1st September 2012 and spread rapidly. By September 2013, the app had been downloaded more than 9,000 times, i.e., by more than 10 % of the inhabitants in Skellefteå municipality. Services provided through this app include, among other things, opening-hours for public swimming pools, libraries, and recycling centres. In addition, the app contains two unique features. Firstly, there is an interactive school-meals service where pupils can give their opinions on the food the schools provide. Secondly, there is a

customer service where teachers, nurses, and construction engineers can answer questions asked by the inhabitants. This means that the process of solving a problem is shortened through direct contact with the responsible civil servant.

There are ongoing investigations of possible further areas of collaboration between the municipalities regarding IT-based solutions. One respondent stated the following:

I received a request from Skellefteå to conduct an inventory of the needs we have in terms of IT. They [Skellefteå] want us to give them an overview of our IT architecture. Basically, we are going to conduct an inventory of the whole IT-spectrum. Later on we will announce areas of possible cooperation.

Discussion

The case presented is not a unique strategic approach among Swedish municipalities (Bergman, 2013). A more cost-efficient and reliable provision of services is of critical importance for a sustainable development. It calls for efforts to find partnerships with neighbouring municipalities in order to share costs, service capacity, and competences. A basic prerequisite is that there exists proximity also in other dimensions between potential partners so that they share mental images of desirable results. Furthermore, it should be emphasized that in order to use the full supporting capacity of the public sector above the municipal level, adaptation to sector, and regional policies at national and EU level must also be handled. Traditionally, the strongest supporting instruments are at the national level in terms of laws, rules, and the tax equalization system.

For the category of municipalities highlighted here, the most obvious development measures within the framework of the EU are the Structural Funds available for regional development projects and EU-Leader for rural development. These resources provide opportunities to take initiatives leading to both business development and the strengthening of various types of infrastructure. The EU level may also both strengthen and reorient approaches by introducing more active renewal of development tools. Here, we can refer to the Europe 2020 cohesion strategy. When launched by the EU in 2010, it outlined an agenda with focus on smart, sustainable, and inclusive growth. Since then, further guidelines have been presented for initiatives at the regional level. This effort aims at revitalizing regional policy approaches with revised formations of regional systems for research and innovation, which also include a transnational comparative and learning dimension.

Even if the Europe 2020 strategy focuses on direct measures promoting economic growth, the sustainability of service provision systems and an active municipal development strategy may have a significant impact on the processes for achieving successful results. The attractiveness of municipalities and specific places for investments and business development do not only depend on qualities in terms of business options. A basic prerequisite is also a reliable and sustainable service structure and an offensive municipal policy that addresses the im-

portant needs of individuals, households, and firms. As described above, both Region Västerbotten and the sub-network Region8, which highlights the special challenges for small municipalities, provide supporting platforms for joint policy approaches and proposals to the central government and the EU.

A voluntary collaborative approach across municipal borders, and with a flexibility of partners, provides good opportunities for a trial and error process. Strategies and action plans can be launched without a long term dependency perspective. If the results are negative, it is quite easy to revise the collaborative profile as long as no long term contracts have been implemented. Besides internal experiences, an active external search for "best practice" may provide important input. A further dimension of such a voluntary collaboration across borders is that established images of identity in terms of feelings of belonging and place attachment among the inhabitants in each municipality persist. According to a survey in northern Sweden, confidence in local politicians depends on feelings of togetherness and proximity in a broad social context (Westin, 2012).

The studied collaborative concept shares many features found in the ideal-type of governance (see e.g. Pierre & Sundström, 2009). This means that the mode of operation within and between the municipalities becomes more comprehensive, differentiated, and also more complex. However, one issue that may arise from collaboration based on a governance approach is that of power possibly becoming more elusive because preparations for decision-making are made in networks with several different regulators (Vinsand & Nilsen, 2007). Consequently, political accountability may become more difficult to determine. In addition, this means a weakening of the traditional representative democratic model in favor of a democratic model where political decisions are made through negotiations across municipal borders.

One may ask the principal question as to whether the Skellefteregion initiative can be labelled a smart strategy for the sustainable provision of municipal services. As described, the initiative includes a staircase of ambition levels, but the results so far illustrate a tardiness in developing radical new approaches when the strategy builds on voluntary engagement among the involved key actors. The results achieved are limited to rather small outcomes. The choice to also arrange joint boards, as well as lower levels of collaboration, with other neighbouring municipalities makes the profile of the Skellefteregion collaboration rather diffuse. Further, a rather passive process in the broad municipal perspective of implementing tools based on new information technology can be noted. References for more advanced approaches are available regarding Egovernment, E-learning, E-commerce, and E-health across (www.skl.se/esamhallet). All of them have the potential to compensate for accessibility problems and small scale thresholds. This lagging behind position has been considered and joint initiatives are planned with Skellefteå municipality as the leading partner because of its much higher capacity and accessibility to relevant competences.

In this case, the smaller municipalities may consider two alternative future paths for further collaboration. One is to focus on Skellefteregion with the city of Skellefteå as the obvious core. The recent change of the label from Trekom to Skellefteregionen for the ten year experience of collaboration indicates a preference for strengthening this path towards a functional togetherness and a thereto connected mental map. An alternative path is to continue in line with elaborated collaborative approaches with other surrounding municipalities which also have small population numbers. However, there seems to be no comparative advantages of such an alternative as it would partly build on very weak functional links in terms of daily mobility and other mutual dependencies. The potential for finding scale-advantageous concepts of service provision and stronger prerequisites for recruiting adequate competences is also much more limited in such a spatial setting. A further complication that might arise is the much more difficult process of agreeing on where to focus locational concepts for various types of services. Groes (2005) argues for the careful consideration of the advantages and disadvantages of a merge. Larger efficiency gains may be achieved by changing behavior within the established structure rather than changing the structure and not changing behavior (ibid 2005:77).

Conclusions

A feature of the concept of the Swedish welfare state is that the municipal level is given a distinct responsibility for providing its citizens with reliable services in terms of capacity and competence among staff. The performance of this multifaceted task may influence how both inhabitants and outsiders consider a municipality as an attractive milieu in which to explore life's possibilities both socially and at work. To meet growing competition, municipalities, especially the smaller ones, have to consider the possibilities of strengthening their performance by creating added value and administrative efficiency through strategic links across municipal borders. Intermunicipal collaborations with neighbouring municipalities have become quite a common strategy in Sweden but the organizational frameworks differ. Here, we have highlighted a collaborative framework characterized by a big municipality collaborating with two much smaller municipalities, but with a clear openness for alternative cross-municipal collaborations.

The description and analysis of the collaborative concept, which has been developed over the past 10 years, has used a principle staircase of collaborative levels in terms of complexity and obligations as a reference (Baldersheim, 2003). We have noted that all parts of the collaboration build on voluntary participation among the municipalities and that the open space for collaboration with other municipalities also has been used. The most advanced collaborative approach is in the creation of joint political boards. Up to now, such boards have been established in a handful of fields. Our general interpretation is that the collaboration established so far has a rather limited portfolio of effective tools for achieving better internal efficiency, external effectiveness, innovative capacity-building, and better access to competences within the municipal administrations. There is

also a rather diffuse focus on efforts to strengthen the ties within Skellefteregion in comparison to collaborative options with other neighbouring municipalities. However, we have noted shared interest in launching more integrative concepts. We can also hypothesize that a factor, which may facilitate such a joint development path, with additional layers of collaborative concepts, is the shared ideological base of the political leaderships in the three municipalities. Thus, our conclusion is that the chosen collaborative path has rather good chances of being regarded as a smart approach for years ahead.

From a small municipality perspective, a merge as a solution to the problems and challenges of handling responsibilities may, in some cases, as studied here, provide rather diffuse advantages for the inhabitants. A merge into a context with a dominating city may lead to internal concentration processes and thus accelerate the marginalization of the outskirts. A merge solely with surrounding smaller municipalities may mean a continuation of weak municipal capacity. It may also activate conflicts across former borders as to how to distribute resources and arrange organizational frameworks.

Finally, we can conclude that it is not only the small sparsely populated municipalities highlighted here which face an increasingly complicated dilemma. Similar examples may be found across Sweden. Irrespective of organizational path choices, they are caught in a strong marginalization process caused by a dominant urban trend at both regional and national level.

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