European Association of State Territorial Representatives 2<sup>nd</sup> Observatory in Leuven, Belgium 22 October 2009

> The Swedish model by Governor Sven Lindgren, Kalmar County, Sweden

In Sweden the Government functions as a collective, which means that the Government must take all decisions directed towards a public authority collectively. All missions and directives from ministries to the public authorities must go through a Government meeting. This is where the Swedish model differs from the concept of ministerial rule. In addition, the Swedish ministries have relatively few employees in comparison with ministries in other countries

The Swedish model of public administration consists of three tiers; the national, the regional and the local. The Riksdag, the Government and the government agencies comprise the national level while the regional level is composed of the county councils. The local level is made up of the municipalities. Both the counties and municipalities enjoy a high degree of independence and have the right to make their own decisions and levy taxes. This fundamental principle of municipal autonomy is written into the Constitution.

## The government agencies

Besides a small number of central advisory agencies, there are about 400 other government agencies. The main task of these government agencies – including the County Administrative Boards – is to implement and enforce laws and policies. The Swedish Environment Protection Agency, the Swedish Migration Board, The Swedish National Heritage Board and the Swedish Board of Agriculture are among some of the agencies included.

A Director General, appointed by the Government, heads each agency. Apart from the appointment of the Director General and sometimes the deputy Director General, the Government has very limited influence in matters regarding agency staffing, e.g. such as staff recruitment.

## **County Administrative Board**

As representatives of the state in the respective counties, the county administrative boards function as links between the inhabitants, the municipal authorities, the Central Government, the Riksdag and the government agencies. The head of a county administrative board is appointed by the Government and is designated as county governor.

The roles of county administrative boards include a *supervisory responsibility* (ensuring that government targets are attained), a degree of regional planning and coordination of the varying county interests.

#### Governance

Each year the Government issues a set of appropriation directions, which specify the goals of each government agency for the coming year. These directions also establish how much money there is at each agency's disposal. The Swedish Public Administration model allows government agencies a high degree of autonomy in their executive powers. The Government is not legally entitled to instruct agencies on how to implement a certain law, or what to decide on in a particular matter. The Government is forbidden to interfere in an agency's interpretation or application of the law. The concept of ministries intervening in agency processes, known as ministerial rule, is prohibited in Sweden!!

The law also prescribes that government agencies must execute political decisions in an efficient and qualitative manner and also provide high quality service to the public. The Government follows up and evaluates the agencies' operations each year. In line with this, governmental agencies must submit an annual report and budget request to the Government.

Annual reports and the budget materials subsequently form the basis of the following year's appropriation instructions and the national budget.

In addition to legislation enacted by the Riksdag, governance may also be carried out through ordinances and regulations.

## **Municipal autonomy**

At the regional and local levels of government you find county councils and municipalities (single model), which are political entities with the right to make their own decisions in regional and local affairs.

County councils and municipalities are by law responsible for several important functions in society, and also have the right to levy taxes. The Riksdag and the Government establish national objectives for the activities of municipalities and county councils in laws and ordinances. The principle of municipal autonomy is fundamental and written into the Instrument of Government, one of the fundamental laws in the Swedish Constitution. Counties

At regional level, Sweden is divided into 21 counties. The county councils and regions, whose decision-makers are directly elected by the people, carry out the political tasks at this level in each individual county or region. Each county also has its own county administrative board, which is a Central Government body operating at the county level.

## **County and regional councils**

An elected assembly takes the political decisions of a county council. These regional elections are held every four years on the same day as the parliamentary election. The county and regional councils' main areas of responsibility are:

- public health and medical care
- public dental care
- regional development
- public transport (in cooperation with municipalities)
- culture
- support for industry and commerce
- tourism

County council operations are financed through government grants, county council taxes and charges. The Swedish Local Government Act and particular laws such as the Swedish Health Care Act regulate county and regional councils.

## **Municipalities**

The municipalities are local political entities with the right to make their own decisions. At the same time they are executors of governmental and parliamentary policies. Sweden has 290 municipalities and their key responsibilities are:

- pre-schools, secondary schools, upper-secondary schools
- elderly care
- assistance to the functionally impaired
- rescue services
- water and waste
- public libraries
- public transport (in cooperation with county councils)

Municipal activities are financed through municipal taxes, government grants and municipal fees, and are primarily regulated by the Swedish Local Government Act. Municipalities are also governed by certain laws such as the Swedish Social Services Act, the Swedish Planning and Building Act and the Swedish Schools Act.

## **Municipal Councils**

Municipal councils are the highest decision-making body at the municipal level. Politicians form the councils with a four-year mandate elected by the people living in the municipality.

Municipal elections are held on the same day as the parliamentary election. Municipal autonomy, prescribed in the Constitution, gives the municipalities the right to make decisions independently and levy municipal taxes.

#### Municipal tax

Municipal tax accounts for around 70 per cent of the municipalities' income. The municipalities independently decide on how much tax to levy, and how the money should be spent. Municipalities also receive government grants, some of which are intended for general use, and other grants for purposes specially designated by the government. Municipalities may charge a fee for some of their services, for example elderly care services.

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# The ongoing regional process in Sweden

In 2003 the Government asked *The Committee on Public Sector Responsibilities* to indentify, shed light on and conduct a broad analysis of changes in society that affect and could prompt in the structure of public administration and the division of responsibilities between central government, the municipalities and the county councils.

## Four main themes of the inquiry:

The "twins" of Sweden's Public Sector:

- 1. The State and the national perspective
- 2. The Self Governance Sector municipalities and county councils and the relationship between them

Two specific areas of public responsibility:

- 3. Regional development
- 4. Health and medical care

Committee proposals on relationship National Government – Self Governance sector:

Clearer national government role with

- -focus on setting standards
- -focus on knowledge management
- -enhanced governance requires better follow-up

Set procedure for consultation between sectors:

- -creates clarity and transparency between the sectors
- -becomes an "engine" for strategic knowledge of public welfare

# Regional development

- The responsibility for regional development is divided among a number of actors with varying responsibilities
- Regional leadership is required, a mandate to represent
- Regional tasks divided into development tasks and tasks that are a matter of carrying out a government agency mandate
- Both tasks require larger geographical areas
- Regional self-government bodies should be directly elected, have the right to levy taxes and also have a responsibility for health and medical care

## A new regional geography

- A common county and regional division
- Between one and two million inhabitants, exceptions possible in sparsely areas
- An own university hospital or cooperation with others
- At least one university

- Labour market regions will form the regional division
- Counties and regional authorities are defined so that the citizens can feel a sense of belonging
- A division into between six and nine counties and regional authorities (today 21)
- A large degree of local and regional influence
- Reform implemented 2010/11, at latest 2014/15

The committee handed over its proposal to the Government in February 2007. More than 500 organisations gave their view by September last year. A process started. A lot of local and regional politicians have started discussions on a new possible map of regions in Sweden.

But up till now, no results have seen the daylight.

One main problem and a reason why the process has not led anywhere so far, is that the Government didn't give any guidelines on how the Government and its agencies should meet proposals from local and regional politicians.

Two years later, in June 2009, the Government decided to set up a new national committee for further investigations and directives for the future process. This time, the committee is asked to draw a coherent conclusion of the earlier mentioned committee's proposals together with aspects coming both from local/regional level and from government agencies. The committee is also ordered to suggest a new division of Sweden into fewer counties – directly elected by the people – and fewer county administrative boards – appointed by the government. One task is to consider how a number of state regional agencies can be included in the county administrative boards.

The committee will hand over its result to the Government before December 2012. Then, a new political process will start again, and a new debate, and finally, I hope, Parliament will decide on this very, very long discussed matter.

Hopefully, after the general elections in September 2014, in January 2015, a new full-scale regional reform will be implemented and a new political and administrative map will be drawn in Sweden. In the meantime there successively will be a concentration of some state regional tasks to some fewer county administrations.