ESPON

# RISE
## Regional Integrated Strategies in Europe

Targeted Analysis 2013/2/11

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**ANNEX 1 Literature Review**

# REGIONAL INTEGRATED STRATEGIES IN EUROPE (RISE)
# Identifying and exchanging best practice in their development

## WP 2.2. LITERATURE AND DOCUMENT REVIEW

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# General introduction

In this report four groups of concepts have been identified:

- Policy integration
- Policy transfer and learning
- Meta-governance and new forms of governance
- Collaborative planning, legitimization and partnership.

The *central aim* of this report is arriving at a deeper understanding of some of the most important RISE concepts and to elaborate these concepts in such a way that the interpretation of the results of the case studies as well as the construction of the RISE toolkit could be guided.

The literature on the four groups of concepts is vast. So we have been looking at literature which makes an *application* in the RISE project possible. This means that we have been looking at literature presenting building blocks for *operational definitions* of concepts. We also have been looking for literature which could help us defining operational questions to interpret case study results and select potential contributions for the RISE toolkit. Due to the application goal of this report we have not strived for comprehensiveness. The focus in the interpretation of the case study results on the basis of this report is on policy integration as the overarching theme. The other three groups of concepts are related to this overarching theme.

Each chapter of this report has been written by one partner of the RISE consortium. The work package has been guided by OTB. This report on WP 2.2 brings together the results. Some redrafting and editing of texts have been taken place in all those cases where a stronger emphasis on application seemed to be necessary.

# 1. Policy integration[1]

## 2.1 Introduction

The desire to integrate policy across different sectoral planning domains such as economic development, transport, housing, retail development is not new. Complaints that departments do not communicate, or that policy actions are contradictory are legion (Peters, 1998). Pressman and Wildavsky (1984) observe that "no suggestion for reform is more common than 'we need more coordination'". Thus while planning systems vary greatly across Europe (CEC, 1997), most countries employ mechanisms to seek policy integration amongst different sectors and different levels of governance. At EU level integrated spatial planning is argued as able to help secure efficiency gains through improved vertical integration of activities across spatial scales and horizontally between regions (Kidd, 2007).

At the same time an increasing emphasis on localism – and on accountability, transparency and citizen-oriented interventions at the sub-national scale – is driving the aspirations for improved policy integration across the board. Indeed, given the many horizontal and vertical complexities involved, effective integrated spatial planning may be more likely at smaller spatial scales (Vigar, 2009). Emphasis on cities and city-regions as engines of growth is also focusing attention on the need to improve degrees of policy integration to avoid management/resource inefficiencies (Buitelaar et al., 2007). Briassoulis (2004) suggests that policy integration is needed to hold the policy system together, to overcome its tendencies towards disorder, and to manage the numerous policy interconnections so that policy supply meets policy demand, supporting the effective resolution of complex problems and the transition to sustainable development.

## 2.2 What is policy integration?

Policy integration can be conceptualised as a process either of coordinating and blending policies into a unified whole, or of incorporating concerns of one policy into another. Vigar (2009) characterises policy integration as having four broad overlapping processes – (Co)-aligning strategies and policies; Policy (re)-framing; Connecting policy and action and Enabling co-operation amongst actors (Healey, 2006a). Collier (1994), by contrast, is more concerned with outcomes and suggests three dimensions: (1) Achieving sustainable development [and preventing environmental damage]; (2) Removing contradictions between as well as within policies; and (3) Realising mutual benefits and the goal of making policies mutually supportive.

Policy integration thus refers to the process of sewing together and coordinating policies, both over (horizontally) and across (vertically) levels of

[1] This chapter has been prepared by Stewart MacNeill, Gill Bentley and John Gibney, Department of Management, University of Birmingham.

governance, modifying them appropriately if necessary, to create an interlocking, hierarchical, loosely-coupled, multi-level, policy system that functions harmoniously in unity. The output of such an integration process will be an integrated policy system aiming to achieve multiple complementarities and synergies.

De Boe et al. (1999) consider three broad dimensions describing integration. Firstly, *sectoral integration* or the 'joining-up' different policy domains and their actors within a particular territory. Secondly, *territorial integration* concerning policy integration of between different territories and is seen to minimise the negative impacts of policy in the context of inter-territorial (cross-boundary) working and encourages complementarities. Thirdly, *organizational Integration* which they describe as necessary to encourage the strategic and operational co-operation between actors that is critical to effective delivery (see text box). Briassoulis (2004) considers a relational approach and proposes the need for congruent relationships amongst:

- *Policy objects* – a common scope and treating common or complementary facets (environmental, spatial, economic, social, institutional) of a problem;
- *Policy actors* – common actors increase the chances of integration;
- *Policy goals* – common or complementary goals as necessary (but not sufficient) pre-conditions for integration;
- *Policy structures and procedures* – horizontal linkages among organizational and administrative apparatuses and coordinated structures and procedures for formulating and carrying out solutions;
- *Policy instruments* – congruent instruments of the same or different types (or the use of integrative instruments).

## 2.3 Analysing and assessing policy integration

Briassoulis (2004) suggests the object of policy integration should be analysed in terms of four clusters of dimensions:

- The *substantive* dimensions which encompass the thematic, conceptual, and value dimensions of the policy objects to be integrated;
- The *analytical* dimension that entails spatial, temporal and methodological considerations;
- The *procedural* dimensions that refer to the structural and procedural relationships among policies that constitute the means through which policy integration materialises;
- The *practical* dimensions that concern the availability, compatibility, consistency and congruence of information needed to analyse properly the object of policy integration.

Developing the theme she suggests a list of criteria for assessing whether integration already exists and for proposing how it can be achieved or improved (see table 2.1).

In the context of integrated coastal management, Pickaver et al. (2004) discuss indicators as management tools to define problems, set goals for solutions and track progress. They suggest that indicators should be

representative, simple, responsive, well founded, linked to economic models and measurable. They can evolve out of processes that are *en train* which may be non-integrated (often sectoral) discrete actions but which, subsequently, can enable vertical and horizontal integration of administrative and planning bodies to bring about efficient, participatory, integrative planning.

## Text box: different forms of policy integration

**Sectoral integration**: this is about the 'joining up' of different public policy domains and their associated actors within a given territorial area (De Boe et al., 1999, p. 15). Spatial planning to a large part is legitimised by the drive to sectoral integration: public sector domains with a territorial impact need to be addressed on this impact. For instance: territorial impact assessment advocated by spatial planners is based on this logic.
Spatial planning emphasizes other aspects apart from territorial impacts. For instance: without proper coordination or integration approaches (the latter being the superlative degree of coordination) sectoral domains remain "inefficient, in that they can result in competing and contradictory objectives and duplication of effort, and ineffective, in that they ignore the complexity of interactions between different areas of public policy interest." (Kidd, 2007, p. 164).
Within the category of sectoral integration two dimensions can be distinguished: 1) **cross-sectoral integration** between different policy areas which can operate at a range of different scales for instance at the trans-national (e.g. European Union) level (De Boe et al., 1999) and "at all local, regional, state and national scales in between."(Kidd, 2007). Sectoral integration can also imply **inter-agency integration**: integration between public, private and voluntary sector agencies.

**Territorial integration**: this is about the integration of public policy domains between territories (De Boe et al., 1999, p. 15). This category is legitimized by perspectives such as (again) efficient governance, globalisation and sustainability. "The argument here is that current planning approaches are, to a greater or lesser extent, disjointed across territorial divisions. This situation can lead to inefficiency and ineffectiveness in dealing with important policy issues and infrastructure investments that transcend administrative boundaries." (Kidd, 2007, p. 166). Territorial integration is often advocated in the case of positive or negative externalities of certain developments or in the case of what is often called 'intrinsic spatial relations': spatial structures or system which cross administrative boundaries but to their nature cannot be easily split up in different parts.
As Kidd (2007) and De Boe et alia (1999) emphasize the category of territorial integration also encompasses different dimensions: both "vertical integration" – policy coherence across spatial scales, and "horizontal integration" – policy coherence between neighbouring authorities (nations, states, regions etc.) and areas with some shared interest.

**Organizational integration**: as we have already emphasized both sectoral and territorial integration require "co-operation between parties in the form of organisational integration" (de Boe, 1999, p. 19). This final category of integration emphasizes the actor perspective. One can even say that organizational integration is "critical to the effective delivery of sectoral and territorial integration." (Kidd, 2007, p. 166). Again a variety of forms can be distinguished according to Cowell and Martin (2003; quoted in Kidd, 2007) and the RTPI (2003; idem): 1) **strategic integration** – the alignment of linked strategies, programmes and initiatives, and 2) **operational integration** – the alignment of related delivery mechanisms. We can also use different words: organizational integration implies a coupling between (strategic) spatial visions, objectives and spatial concepts at the one hand and operational decision making (including concrete investment on the ground) at the other hand.

**Table 2.1 Criteria for assessing policy integration (Source: Briassoulis, 2004)**

| | |
|---|---|
| ***General*** | Political commitment and leadership for policy integration in general;<br>Existence of long term development strategies;<br>Shared core beliefs and communication across policy sectors;<br>Absence of intra-governmental power relations or vertical alliances;<br>Flexible general taxation. |
| ***Related to policy objects*** | Congruent, compatible, consistent and/or complementary policy objects;<br>Multidimensional policy objects and integrated/interdisciplinary theories;<br>Common and consistent concepts and terminologies. |
| ***Criteria related to policy actors*** | Common formal actors on and across various spatial/organizational levels;<br>Common informal actors on and across various spatial levels. |
| ***Criteria related to policy goals and objectives*** | Political commitment/leadership for policy integration in the case of the policies analysed;<br>Common, congruent, compatible and/or complementary goals/objectives;<br>Stipulation of quantitative, measurable, indicator-based targets and timetables. |
| ***Criteria related to policy structures and procedures*** | Administrative capacity for policy integration – Organization, officials administrative reform;<br>Informal interaction among formal policy actors and actor networks;<br>Interaction among state and non-state policy actors;<br>Consistent, compatible and coordinated procedures and rules of decision making;<br>Strengthening existing administrative units with regard to procedural rights and rules relevant for coordination and joint problem-solving;<br>Joint decision making and joint responsibilities of the policy sectors considered;<br>Provisions for implementing policy integration requirements (e.g. compliance, enforcement and accountability mechanisms among competent agencies). |
| ***Criteria related to policy instruments*** | Existence of a legal framework;<br>Common legal and institutional instruments;<br>Use of integrative instruments; e.g., legal, economic, financial, planning;<br>Favourable budgetary process and use of financial mechanisms/ incentives, such as, subsidies for policy integration.<br>Common or coordinated/compatible sector action plans;<br>Common, shared research resources and consistent, information bases;<br>Common assessment and evaluation methodologies, and tools (policy integration indicators);<br>Education and training services. |

## 2.4 Difficulties of achieving policy integration

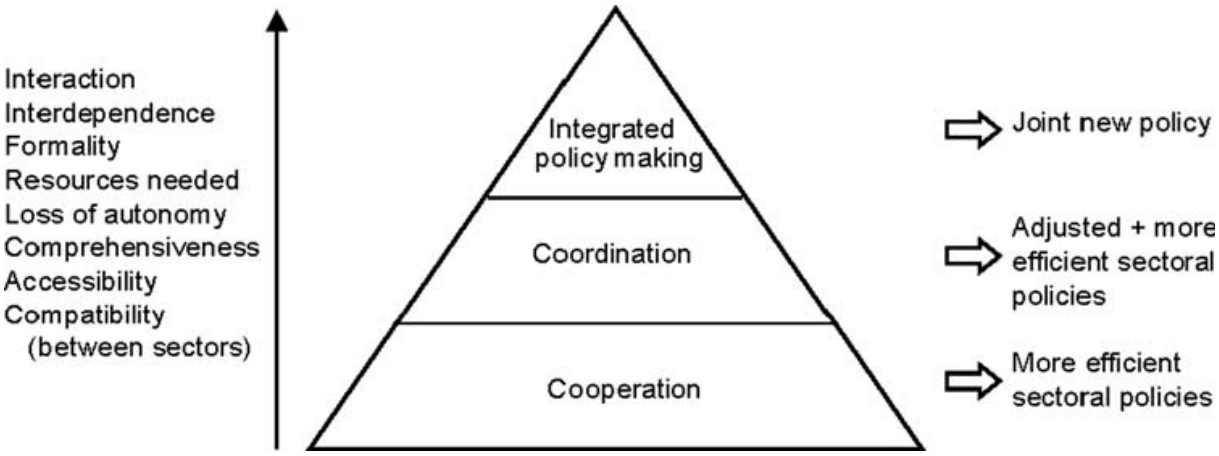
According to Underdal (1980), policy integration is successful when the effects of policy decisions are assessed in advance and when different policy elements are consistent. However, the process of achieving such 'joined up governance' is becoming more and more difficult due to the different jurisdictions and *raisons d'être* of the range of public authorities, agencies and private businesses that provide every day services (Peters, 1998) and the sharing of governance at national and international level (Hooghe & Marks, 2003). In this respect, one of the main difficulties is integrating governmental actors in different professional fields where the power of decision making is based more on expertise than on authority (McPhee & Poole, 2001; Mintzberg et al., 2003). Moreover, communication processes in any policy field are often threatened by differences in power among individual actors. Hence, decisions

on policies are often based on dependency relations among actors rather than on rational arguments.

Stead and Meijers (2009) also observe that there are an increasing number of cross-cutting issues, (such as environment, sustainability and equal opportunities), that add to this complexity. In addition there is a need to integrate both 'static elements' (built environment, urban form and the protection of special places), and dynamic 'flow' between territories (Kidd, 2007).

Stead and Meijers (2009) refer to the three umbrella concepts of *policy integration, policy coordination and policy cooperation*. They distinguish between these such that policy integration relates to the management and linking of actors, organisations and networks across sectoral and other boundaries whereas policy coordination is concerned with outcomes and avoidance of either redundancies or gaps in services. Clearly they are closely related and both involve policy cooperation through sharing and collaboration. The three concepts and their outcomes are illustrated in figure 2.1.

**Figure 2.1 Integration, coordination and cooperation (Source: Stead & Meijers, 2009)**




It is clear from the above discussion that there are limitations to the degree(s) of 'policy integration' that can be realistically achieved. Stead and Meijers draw on a number of academic sources to consider the facilitators and inhibitors. They list these as:

- *Political factors* – which may be positive where there is a convergent problem of definition, professional ideologies, interests and approaches plus a perception that integration increases the ability to manage uncertainty and complexity. Inhibiting political factors pertain where there are divergent priorities and interests resulting in a lack of consensus and common commitment.
- *Organizational factors* – are facilitators where there are standardised procedures but inhibitors where there is excessive bureaucracy, poor levels of communications of poorly trained/motivated personnel.
- *Economic/financial factors* – are the potential gain in resources (time, money, information, raw material, legitimacy, status), cost and risk

sharing plus economies of scale. Alternatively the costs of coordination may outweigh any benefits especially if the planning/policy cycles differ.

- *Process, management and instrumental factors* – can be facilitators, for example where there are group-centred approaches to problems plus open natured networks. Alternatively inhibitors include lack of communication, fear of delays and increased complexity requiring additional management procedures.
- *Behavioural, cultural and personal factors* – where facilitators include a positive attitude and organizational culture towards working with other organisations often based upon good historical relations. To the contrary, poor relations, vested interests and the lack of commonly identified goals inhibit integration.

In their discussion the authors observe that no single factor is sufficient to either bring about or to prevent policy integration. Much depends upon the perceptions and interpretations of the key actors – be they supportive or not. Simply stating that policy integration would improve delivery does not address the complexity of the factors involved.

## 2.5 Is policy integration practical or (even) desirable?

The underlying assumption of planning integration is that policy integration will produce more coherent development and implementation thereby improving outcomes. However, this is not necessarily the case. Briassoulis (2004), for example, offers some preliminary thoughts on designing policy integration schemes and asks three broad questions:

- Is a general, all-purpose and all-encompassing policy integration scheme possible and desirable or is a case, or issue, specific policy integration scheme more appropriate?
- Is horizontal integration sufficient to tackle crosscutting issues or is vertical integration necessary too, or both?
- Is policy integration at a given level sufficient or is cross-level policy integration necessary – or even a grand scheme of full-blown integration on and across levels?

Mintzberg (1994) distinguishes between the 'planning school' and the 'learning school'. The former has the philosophy that organizations can improve performance and delivery if they follow a documented plan or strategy. Here top down planning control tries to increase predictability albeit at the expense of empowerment and flexibility. The counter position is informal and emergent strategy formation, which does not necessarily imply the formulation of a strategy document. In public policy, the 'learning school' goes back to Lindblom's (1959) notion of 'incrementalism' where strategies are seen as evolving through informal and mutual adjustments amongst actors rather than through formalized procedures. Against this background, Mintzberg (1994) highlights a number of issues related to strict top-down integration. *Firstly*, planning builds on a predetermination of future developments and discontinuities, which are uncertain and therefore not predictable. *Secondly*, those who develop plans or strategies are rarely the

same as those who implement them. *Thirdly*, he suggests that strategy formation cannot be accomplished by formalizing the process through distinct planners isolated from daily routines. He thus concludes that 'strategic planning' may be an oxymoron.

In this view, strategy formation cannot be formally planned but instead emerges out of collective and incremental learning processes. While the planning and learning schools represent two extreme standpoints the reality, as Steurer and Martinuzzi (2005) point out, is that practical strategy planning and implementation falls between the two. Complex plans cannot be drawn up and implemented in a neat linear manner. However, pure incrementalism – opportunity without strategy – is likely to result in 'drift' and/or in faddism and fashionable innovation. The extent of integration at different levels can also be questioned. There is inevitably a 'trade off' between sectoral and territorial integration. The greater the extent of the latter the more difficult it may be to integrate across sectors, especially where policy is decided at different governance levels.

## 2.6 Integrating frameworks

Steurer and Martinuzzi (2005), writing in the context of national sustainable development strategies, argue for a hybrid version of strategic management where strategy can evolve as it is implemented but still works within an overarching vision and framework. It is thus flexible but does not reject formal plans so will stay close to the original intended outcomes. They look at strategic plans for sustainable development in a number of European Member States as good examples of how a broad theme can combine hierarchical strategy, vision and steering with collaboration in networks that enable learning and adaption and the deployment of different modes of governance. Here we can suggest that a general wider framework in which individual actions and/or incremental learning can take place is both desirable and beneficial. Hence, Simeonova and Van der Valk (2009), writing about environmental policy integration, see policy integration as an operational principle for implementing and institutionalizing, in their case, the concept of sustainable development. Like most forms of policy integration, they argue, environmental policy integration is seen as an important part of 'good governance': the more integrated and mutually reinforcing the policies are, the easier their effective delivery will be (Lenschow, 2002; Margerum, 1997; EEB, 2003).

For Van den Broeck (2011) space itself, and the act of design for its future use, provides the uniting feature for policy integration. Thus spatial planning (design) can be viewed as a medium to "read (analyze), interpret and define spaces and places, to represent possible futures and necessary transformations and innovations and promote them, to explore different understandings of, and shared terms for, spatial quality". Thus spatial planning, it can be argued, is a form of meta-governance in that it seeks to coordinate different policies around place-based development agenda(s) (Jessop, 2002). It provides for a meta-coordinating strategy that looks to void/negotiate policy conflict and institutional contradiction (Hull, 2005); helps

to secure efficiencies in innovation and sustainable economic development (Schön, 2005) – and, where spatial planning frameworks serve to broaden the policy frame, to accommodate new issues; resolve implementation deficits; and links actors through common goal setting, partnership working and knowledge sharing (Vigar, 2009). However, Van den Broeck (2011) recognizes the 'tricky' nature of relating process to project in a strategic way given the nature of budgets, events and political imperatives.

## 2.7 Conclusions

In general, policy integration is seen as desirable and, hence, calls to integrate are many. The perceived benefits of 'joined up' governance and strategy are more efficient policy development, and seamless, non-contradictory, non-wasteful implementation. It is argued that a lack of strategy leads to drift and to faddism and agendas that can be 'highjacked' by particular interests. A number of parameters have been identified as either facilitating or inhibiting integration. These include political, economic, organizational and behavioural factors. Similar, and overlapping, criteria can be used to judge the degree of integration.

However, the complexity of planning across different sectoral fields, and levels of governance, makes the process of integration difficult. One can argue that there is a 'trade off' between the different possible areas of integration: sectoral and territorial integration. The greater the latter the more difficult it may be to integrate across sectors, especially where policy is decided at different governance levels. Thus, since knowledge is bounded, the concept of integrated strategic planning is questionable. Too rigid frameworks leave little space for learning, adaption and integration.

Overarching frameworks, such as the design of space, sustainable development or environment can provide a sufficiently strategic policy envelope while at the same time enabling flexibility and 'real-time learning. However, it is recognized that translation into everyday practice, is determined by local culture, informal rules and path-dependent factors (Lloyd & Peel, 2005). For example, in England the Regional Development Agencies have been replaced by sub-regional Local Enterprise Partnerships. Their stated objective is to influence rather than to control the planning process. How the balance of fragmentation or integration through influence and cooperation will develop will be interesting to observe.

Useful for assessing the kind of policy integration taking place in the selected RISE cases the following *concepts* can be proposed:

- Sectoral integration and its two sub-forms: cross-sectoral integration and inter-agency integration.
- Territorial integration, encompassing dimension such as vertical integration (policy coherence across spatial scales) and horizontal integration (policy coherence between neighbouring authorities such as nations, states, regions etc. and areas with some shared interest.
- Organizational integration: co-operation between parties in the form of organizational integration. Different forms are: 1) strategic integration

(the alignment of linked strategies, programmes and initiatives); 2) operational integration (the alignment of related delivery mechanisms), including a coupling between (strategic) spatial visions, objectives and spatial concepts at the one hand and operational decision making (including concrete investment on the ground) at the other hand.

On the basis of these distinctions the following *operational questions* can be posed:

- Can the plan(document) or strategy be positioned in terms of sectoral, territorial and organizational integration and is it possible to specify which type within these three categories (see above) are appropriate?
- Are there other plans/strategies/processes directed towards policy integration and for what reasons does the selected plan/strategy (i.c. MIRT agenda) stand out?
- Is the plan or strategy meant to bridge the gap between strategic choices and operational choices and in what way?

# 3. Policy transfer and learning[2]

## 3.1 Introduction

One of the key assumptions of the RISE project is that policy integration in our case study areas will show high level of situated practice or contextuality. This means that each case is unique to a certain extent because the level and kind of integration depend on a number of regional contextual factors. In such a case, the validity of comparative studies between different regional contexts will be restricted.

We want to face this problem by looking into the literature of policy transfer. We want to identify the kind of problems that arise in the practice of learning by comparing policies embedded in different localities. We thus shall try to answer the following questions:

1. Which are those important contextual factors (e.g. planning cultures; planning systems)?
2. What are important barriers for cross-national and cross-regional learning?
3. Which factors determine the transferability of policies, tools, instruments, etc.?

## 3.2 Which are those important contextual factors?

It is often emphasized that the literature on policy transfer belongs to a broader family of policy studies including e.g. policy diffusion studies and comparative policy studies. Most of these studies are concerned by the contextual diversity as one of the key barriers of policy diffusion, transfer and even harmonisation of policies.

The policy context belongs to the country from which policy transfer takes place as well as the country to which policies are transferred. As we shall see in the following section on barriers for cross-national learning, important contextual factors are related to the general political/cultural tradition of a country. In more operational terms, the relevant context is related to the subject of transfer. Dolowitz and Marsh (1996) set up seven policy subjects of transfer:

1. policy goals, structure and content;
2. policy instruments of administrative techniques;
3. institutions;
4. ideology;
5. ideas;
6. attitudes and concepts;
7. negative lessons.

[2] This chapter has been prepared by Niels Boje Groth and Karina Sehested, Danish Forest and Landscape Research Institute, University of Copenhagen.

Later, they highlight the distinction between *policy* and *programme,* - policies being “broader statements of intention and generally denote the direction policy-makers wish to take”, whereas programmes “are specific means of the course of action used to implement policies.” (Dolowitz & Marsh, 2000, p. 12). The contextual factors are, however, not specified by Dolowitz and Marsh. They are implicit given. To further understand what the relevant contextual factors are, one must consider the degree of transfer. Referring to Rose (1993), Dolowitz and Marsh identify five options on how to incorporate lessons into their political system:

1. copying
2. emulation
3. hybridization
4. syntheses
5. inspiration

In their empirical comparative study of area planning in the Netherlands and England, Spaans and Louw (2009) emphasize the interdependence between national contexts and the degrees of policy transfer. Referring to Janssen-Jansen et al. (2008) they highligt three levels of increasing intensity of policy transfer: (1) inspiration, (2) learning and (3) transplantation. They argue that due to contextual diversities, the former (inspiration) is most likely to take part between countries with different political/cultural systems, whereas the latter (transplantation), due to the high dependency on contextual similarity, is most likely to take place within the same country.

De Jong (2004) describes the most used contextual denominators as the

- legal,
- political and
- cultural differences.

He further argues, that the most important distinction in contextual factors is between:

- formal institutions formed by the legal rules, and
- informal institutions formed by social practices and rituals based on cultural norms and values.

Both sides of institutions are essential parts of a planning institution and in a situation of policy transfer the tension between the formal and informal institution might come into play. Changes due to policy transfer are typically made in the formal institutions but often fail because of lack of changes in the informal institutions.

The complexity of relations between context and policy makes it difficult to be specific about these relations. Some argue that the most successful policy transfer is between ‘families of nations’ – with similar contextual conditions –, others criticise this statement. We will discuss this further when looking at the barriers for policy transfer.

*A policy transfer continuum – voluntary and coercive policy transfer*

Dolowitz and Marsh introduce a distinction between voluntary and coercive (forced) policy transfer. At the voluntary end of a continuum between the two, policy transfer is supposed to take place as a "rational response to a perceived process. So, the emergence of a problem, or of 'dissatisfaction with the status quo', will drive actors voluntarily to engage in an active search for new ideas as a 'cheap' means of solving the problem." (Dolowitz & Marsh, 2000, p. 14). "Despite the assumption of rationality inherent in most studies of policy transfer, it is rare that actors are perfectly rational. Most act with limited information, or within the confines of 'bounded rationality'. At the same time, actors are influenced by their perceptions of a decision making situation rather than the 'real' situation. As such, transfer may be based upon an inaccurate assessment of the 'real' situation; in particular, it may be based upon incomplete or mistaken information about the nature of the policy and how it operates in the transferring political system or about the difference between the relevant economic, social and political consequences on the transferring and the borrowing systems. Hence, this represents a subset of transfer: transfer based upon incomplete information, etc.

Dolowitz and Marsh suggest three factors of policy failure in voluntary policy transfer:

1. *Uninformed transfer* – based upon insufficient information about the policy/institution and how it operates in the country from which it is transferred.
2. *Incomplete transfer* – not all elements crucial of making the policy or institutional structure a success was transferred, leading to failure.
3. *Inappropriate transfer* – occurs when insufficient attention was paid to the differences between the economic, social, political and ideological contexts in the transferring and the borrowing country.

At the opposite end of the continuum – the coercive transfer – we especially find transfers from international political organisations. Of special importance are organisations joined voluntarily but when joined are enforcing joint policies upon the member states. Still the states are taking part in negotiations on new policies and regulations. But when approved by the parliament rules must be obeyed by all member states.

The findings of Dolowtz and Marsh are closely connected to an instrumental rationality of policy transfer. De Jong & Edelenbos (2007, pp. 690-691) are sceptic about this, in stating three observations as starting points for their research:

1: *Learning rather than transfer*. Most of the early empirical studies, they argue, "departed from the idea that nation A borrows a policy from nation B and then adapts it to its own purposes. In many cases, however, reality is much more 'networked' and fluid and cannot be described as a functional or dysfunctional deviation from an original." Jong & Edelenbos argue that "experts acting in transnational networks and communities play a very substantial role in the spread of policy models, ideas and institutions."

In line with this observation, one is tempted to suggest that policy transfer has to be understood in terms of learning rather than transfer.

2: *Practical rather than scientific transfer*. Policy actors "are generally more open to insights they acquire from peers who have gone through similar experiences than to knowledge they could derive from scientific journals, even if the truth of the former have has ususally not been verified."

3: *Contextual rather than generic*. "The relevance of specific local contextualization in the adoption of 'universal' global best practices has become obvious. It is certainly true that international organizations are active in promoting international benchmarks and that this practice creates a visible distinction between pioneers, mid-range performers and laggards in adopting global standards for good governance. But apart from the fact that these novel policy models, ideas and institutions must be shaped to accommodate the interests of adopting local recipent actors, the technological, economic, legal-political and cultural environments in various countries and regions are also different. This implies that good practices in their originally proclaimed form are rarely suitable to all circumstances and all instutional structures (best practices as such simply do not exist), but always need to be contextualized and institutionalised to become a meaningful part of the entire set of institutional norms and practices of country or region."

In line with this last observation, De Jong and Edelenbos state that "European integration and harmonization imply an increase in the intensity of cross-national comparison and transnational exchange, but not necessarily a growth of policy convergence among all involved planning systems. Domestic systems persist and incorporate European themes following their own institutional logics." (De Jong & Edelenbos, 2007, p. 688).

### 3.3 What are important barriers for cross-national and cross-regional learning?

Barriers for policy transfer are not just related to crossing regional or national borders. At the outset of policy transfer, attention must be paid to the willingness of politicians. Thus, Dolowitz and Marsh observe that politicians tend to focus more on inherited policies, laws and programmes of their predecessors than new policies, chosen by them. They show a policy commitment to past and present policies which in turn reduces the inclination for policy transfer. "Past policies constrain agents as to both what can be transferred and what agents look for when engaging in policy transfer Dolowitz and Marsh (1996, p. 535).

Turning to the barriers for cross-national and cross-regional learning they are at least two-fold. On the one hand the more ambitious the policy transfer is, the more difficult it is to be transferred. As mentioned above this was the conclusion made by Spaans and Louw (2009), when they made the distinction between three levels of policy transfer: (1) inspiration, (2) learning and (3) transplantation.

On the other hand, barriers are generally embedded in the political/cultural national systems. Thus, Spaans and Louw (2009) argue that the degree to which policy transfer takes place depends on the contextual diversities between the countries from and to which policies are transferred. Several authors on policy transfer emphasize the importance of contextual diversities, however, ususally they do so without further investigating the concret character or parameters of contextual diversities. The general perception is that transplantation within families is most successful while transplantation across families is more difficult.

Referring to Esping-Anderson (1990; 1996) and Janssen-Jansen et al. (2008), Spaans and Louw (2009) argue that structural diversities in deep-rooted political and cultural traditions forms a decisive back-cloth of contextual diversities. Thus, Esping-Anderson (1996, p. 6) makes a distinction between the socio-democratic welfare state model (the Netherlands and the Nordic Countries), the liberal welfare state model (England) and the conservative corporatist model (Germany and France); and Janssen-Jansen et al. (2008, p. 7) emphasize the diversity in policital traditions of Anglo-Saxon, Nordic, Napoleonic, other continental and former communist systems).

However, the typologies of 'families of nations' change according to the issue compared in the countries. If we focus on legal frames we find the well-known differentation between the Anglo-Saxon, French, Germanic and Nordic models within the EU. If we focus on formal elements of the state organisation other clusters of nations are more relevant due to differences in party systems, patterns of interest mediation and welfare regimes: federal states (e.g. Germany), regionalised unitary states (France), decentralised unitary states (DK, Sweden, Finland, Netherland) and centralised unitary states (UK) (De Jong et al., 2002).

Loughlin (1999) has developed a model of families of states based on six indicators: 1. constitution, 2. state-society relations, 3. political organisation, 4. basis of policy style, 5. form of decentralisation and 6. approach to public administration. His categories are close to the legal ones: Anglo-Saxon (no state: UK), Germanic (organicist state: Germany and the Netherlands), French (Napoleonic state), Scandinavian (mixture Anglo-Saxon and Germanic).

So far it is clear that the constitution of families of nation with similar contextual conditions is not an easy exercise and in a situation of policy transfer it has to be considered what the most important issues for contextual comparisons are. This might differ e.g. from one policy area to another. De Jong (2004) stresses that some countries clearly belong to one family of states while others do not. As we can see the Netherlands are one example.

The nuances in contextual similarities and differences become important when we are to understand the process of transplantation. In spite of common legal, political and cultural characteristics there might occur important differences in practical and institutional issues explaining the difficulties in transferring policy.

If we look into the specific policy area of spatial planning the categorisation from above changes again. A comparison of planning practices within the EU points to the existence of four families based on legal and administrative indicators:

- a British (UK),
- a Napoleonic (e.g. Netherlands),
- a Germanic and
- a Nordic one.

However, the Netherlands has a Napoleonic formal planning institution but a Nordic cultural value stressing decentralisation and democratisation (Loughlin, 1999).

Two discussions are related to these diversities: on the one hand it is questioned whether different political/cultural systems are converging or diverging. The mainstream argument is that globalisation and the development of communication systems greatly lever convergence between different national systems. Still, however, national welfare states show very distinct reactions to similar internal societal trends and external international developments. On the other hand the diversities between national political-cultural traditions and systems are seen as a barrier to smooth policy transfer. Therefore, policy transfer is seen as taking place in a continuum from – the most likely – inspiration, via learning to – the most seldom – transplantation.

Barriers for policy transfer are not just related to crossing regional or national borders. At the outset of policy transfer, attention must be paid to the willingness of politicians. Thus, Dolowitz and Marsh observe that politicians tend to focus more on inherited policies, laws and programmes of their predecessors than new policies chosen by them. They show a policy commitment to past and present policies which in turn reduces the inclination for policy transfer. “Past policies constrain agents as to both what can be transferred and what agents look for when engaging in policy transfer.” (Dolowitz and Marsh, 1996, p. 535).

### 3.4 Which factors determine the transferability of policies, tools, and instruments?

It still makes sense to conclude that policy transfer is easier in a situation with similar contextual conditions (e.g. legal, political and cultural in a specific policy area) but there is no guarantee for success especially not when we are talking about transplantation of policy initiatives. There might be national, regional and local specificities and needs that prevent the success. Bogason (2000) suggests that a general approach to make institutional analyses and compare across different institutional settings could be:

1. to define the perception of the *policy problem* (e.g. regional integration) in the relevant institutions;
2. to define the *positions and networks* dealing with the policy problem (formal and informal roles and networks: tasks, interests, resources, competences and authority);

3. to define the *norms and values* in the institutions (e.g. rules, laws, professional and political norms and values – cultures);
4. to define *order and meaning* in relation to the policy problem. Here we find the constitution of sense making in relation to important 'concepts', meanings and behaviour as appropriate and 'good' (Bogason, 2000; see also section on collaborative planning, legitimization and partnership).

Abram and Cowell (2004, p. 224) are in the same line of thinking when they analyse the transfer of a common community planning thinking in two different countries – not from the same families of states. They stress that the processes of integration of a new planning idea from another context is a very complex process and has to be analysed from an (neo)institutional perspectives focusing on interpretations and meanings, adaption strategies, political and administrative practices etc. Even though there might be commonalities in the discourse about e.g. regional integration in different countries there might not be any policy transfer or cross-national learning. One has to consider the function and meaning that the planning idea holds in specific institutional settings. Furthermore, transplantation of policies, tools and instruments is not an objective and instrumental process. The process of policy transfer is a highly political one and influenced by political interests and struggles. De Jong (2004) suggests the following advice for successful policy transfer and in these suggestions we clearly find elements of the institutional perspective mentioned above:

1. See the transfer initiative as a proposal that is integrated in the local policy arena with its political struggles.
2. Be aware of national, regional and local specificities and needs (e.g. different perception of policy problems, networks and positions, norms and values, order and meaning).
3. Consider multiple models instead of one, create alternatives.
4. Create a sense of urgency for policy transfer.
5. Form a coalition of supporters (a policy network) and wait for a window of opportunity.

## 3.5 Conclusions

Policy transfer studies have shown a lack of instrumentality, i.e. if 'you want to transfer policy A from B to C, do so and so'. This lack is due to at least three problems. First, policies organised in one national context are difficult to transfer to another national context. This is the problem of the context. Adding to this is the problem of precision. The more accurate transfer, the more it depends upon the context, and the more difficult it is to transfer. And finally, there is the problem of origin. Does the transfer originate from a supra national body trying to implement general policies in different countries – or does the transfer originate from below, from one country just inspired by policies in another country?

In the literature, these problems are often summarised in conceptual continua between conceptual extremes, as illustrated in figure 3.1. The figure combines the continuum between transplantation and inspiration and the continuum

between coercive and voluntary transfer. At the bottom extreme – coercive transplantation – transfer is at its extreme of accuracy and at its extreme of contextual barriers to cross. At the opposite end – voluntary inspiration – transfer is taking place as a learning process during which contextual borders are eliminated as part of the learning process. Thus, the diversity of the extremes makes it reasonable to suggest that problems of policy transfer are nested in the very idea of transfer: i.e. only if you wish to transfer something, transfer problems occur.

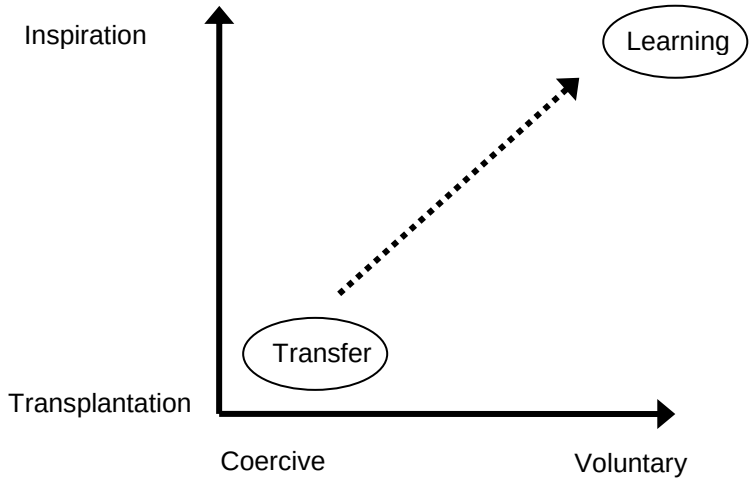
An important question is whether we do have concepts, tools and policies so important that they have to be transplanted – as they are – from one to another context. The literature tends to favour operation at the other extreme, inspiration. This position we want to rephrase as *implantation* rather than *transplantation*, in order to emphasize that concepts, tools and policies are going to be transferred only if they are suited for tailoring to the circumstances in the local context. This way of thinking is in line with the following quotation by De Jong and Edelenbos (2007, p. 688): “Domestic systems persist and incorporate European themes following their own institutional logics.”

In the learning perspective, borders between different contexts are opportunities rather the barriers, often explored by planners and politicians, not just as individuals, but usually as members of professional and political milieus and networks. Such networks are strong learning communities. On the other hand, they may develop as epistemic milieus not open to new ideas. Thus, if we leave policy transfer to some learning paradigm, we need to consider how to keep it vital and entrepreneurial.

RISE is ultimately about the (possibilities for) cross-national policy transfer. This chapter points out that there are two interlinked issues when it comes to such policy transfer:

1. What could be the object of policy transfer or – phrased differently – what are potential candidate tools for the toolkit?
2. What are critical contextual elements influencing the nature of these tools?

**Figure 3.1 Continua of policy transfer**




Both questions are difficult to answer because they presume an awareness of the level of uniqueness in relation to the tools as well as the policy context which produced these tools: what makes a particular type of tool interesting for others and will it fit another planning context?

Possibly helpful in relation to the first point is trying to find the core or the essence of the selected case. Drawing from the example of the Randstad case study we can bring back the phenomenon of the MIRT agenda to the following: a multilevel government centred effort/process to link decisions about large (central) government investments to the territorial characteristics of an area and the way these characteristics have been framed in existing policy documents.

Helpful to detect contextual elements which (might) explain the characteristics of a case is to make use of the literature on families of planning cultures and planning systems. Several examples have been discussed although we must also conclude that the level of abstractness is in most cases quite high due to the fact that the makers of the distinctions between families had to incorporate all countries and were seeking to avoid a large number of families. So a lot of detail is necessarily lost in the exercise. The contextual denominators as identified by De Jong (2004, see also section 3.2) could be used to add to our case studies: what are basic characteristics of the context in which our cases have been developed?

# 4. Meta-governance and new forms of governance[3]

## 4.1 Introduction

Policy integration on the regional level takes place in a political and administrative environment which is becoming ever more complex. What comes out of the literature is that there are different ways to respond to this. A first response is that administrative arrangements are reorganized (this is taking place or is very likely to take place in at least three of the ESPON RISE regions!). Another response is that new forms of governance and meta-governance are developed which are often ad-hoc, have fuzzy boundaries and address and seek to integrate a limited set of policy subjects. Many non-statutory planning strategies are the result of such new forms of governance and meta-governance.

Questions to be answered:

- What does governance complexity mean?
- What are the different responses to such complexity?
- What are main challenges ('positive and negative characteristics') in relation to policy integration of these responses?
- What kind of political legitimization is sought in these new arrangements?

In order to analyse case studies and to contribute to the ESPON RISE toolbox it makes sense to break down the concepts of governance and meta-governance into more concrete and identifiable concepts. The term governance by itself is already good for numerous different interpretations and meanings. Meta-governance, which is generally understood as the 'governance of governance' adds an additional range of interpretations and meanings to this. Yet, governance and meta-governance refer to different sets of concepts and instruments each of which having different purposes and objectives and are executed on different levels of scale. Government is where most of the initiatives to come to regional integrative strategies start. Hence it seems appropriate to first briefly discuss the shift from government to governance and its relevance in the context of regional integrative strategy making.

## 4.2 Shift from government to governance

The shift from government to governance basically refers to the dispersion of decision making. It indicates – for instance – the loss of power of central government to control and steer the development of its territory. Also the shift signifies the increasing complexity of decision making due to the involvement

[3] This chapter has been prepared by Bas Waterhout and Wil Zonneveld, OTB Research Institute for the Built Environment, Delft University of Technology.

of several or many stakeholders. In contrast to government, where decision making power rests in one hand which enables governments to *govern*, in the case of governance decision making power is spread over a range of stakeholders. Rhodes (1997, p. 660) – to take one although important example out of the literature – therefore describes the characteristics of governance as "interdependence between organisations; continuing interactions between network members; game-like interactions, rooted in trust and regulated by rules of the game negotiated and agreed by network participants; a significant degree of autonomy from the state."

Similar to notions of 'good government' notions about 'good governance' have been developed. Whereas government is regulated by formal rules and regulations, laid down in acts and laws that indicate the relationship between government and the society and make clear how government should behave, such formal rules do not exist in the context of governance, where, as indicated above, rules have been developed and agreed by the participants themselves.

Governance thus has its 'problems'. Often mentioned issues refer to the legitimacy of decision making and the lack of openness and transparency. It is because of such issues that several attempts have been undertaken from a normative angle to more clearly define what could be understood as 'good governance'. One such attempt is the European Commission's white paper on governance promoting principles referring to openness, participation, accountability, effectiveness and coherence (CEC, 2001). Within the ESPON RISE project it could be useful to analyse and characterise cases along the yardstick of, amongst others, these principles.

*Operational questions* to be asked are*:*

- Is decision making power dispersed over several stakeholders? Does this lead to interdependence, the formulation and agreement between participants of rules on how to act?
- Does the quality of the decision making process on regional integrative strategies meet the principles of good governance?

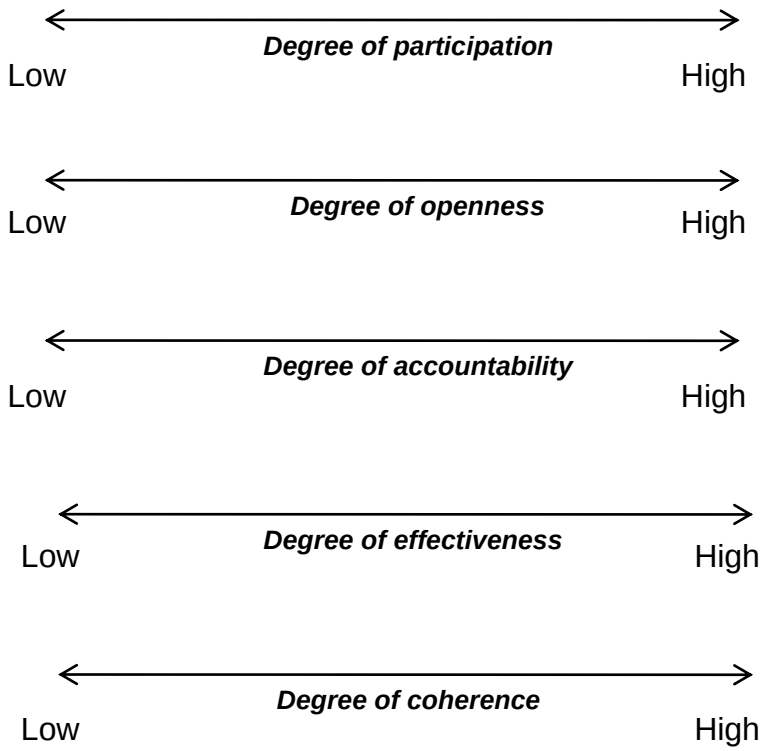
Based on literature the following descriptions of the *concepts* of government and governance can be given:

- *Government*: the exercise of political authority over the actions, affairs, etc. of a political unit, people, etc., as well as the performance of certain functions for this unit or body; the action of governing; political rule and administration (The Free Dictionary - http://www.thefreedictionary.com/government).
- *Governance*: a complex governing process in which a multitude of public and private actors interact to govern society (Sørensen, 2006, p. 99).

To assess different dimensions of (good) governance several dimensions can be investigated. We have identified five dimensions in the scheme in figure 5.1 and we have imaged these as matrices, as continua ranging from 'low' to

‘high’. Again this can be used to analyse and assess our findings in the four RISE case study regions.

**Figure 4.1 Matrices on good governance**




## 4.3 Governance and territory: hard and soft spaces

There is a clear relation between government and territory and hence the shift from government to governance is not without consequences for spatial strategy making. It is in particular the 'hollowing out' of government (and state) which has opened the way for an era of newly emergent 'spatiotemporal fixes' (Jessop, 2000; Allmendinger & Haughton, 2009). Such new spatiotemporal fixes steer away from the classical government demarcated jurisdictions.

Contrary to these 'hard' spaces, which traditionally have been the focus of integrative strategy making, these new spaces have fuzzy instead of clear demarcated boundaries and are rather soft, instead of hard, in terms of their organizational fabric. Their basis is not rooted in the government induced jurisdiction-administrative ordering of a country, but lies in their recognition as places for future development activities by networks composed of both government and private stakeholders. Whilst government still possesses of important and unique powers and resources, they rely increasingly on other non-governmental, private and societal stakeholders in developing integrative strategies for such soft spaces. Where regional integrative strategy making is attempted for soft spaces with fuzzy boundaries it is by definition that this occurs through governance and by means of multi-actor networks. The actor-relational approach as developed by Boelens, for instance, is based upon such a recognition (Boelens, 2010; see also chapter 5 on collaborative planning, legitimization and partnership).

Does this mean that governments do not play any or only a limited role in regional integrative strategy making? In common with others we suggest not. Policy interventions are still dependent on the institutions of the nation-state, and these form the main reference for governance-beyond-the-state arrangements (Swyngedouw, 2005). However, both the effectiveness and the legitimacy of nation-state institutions are seriously constrained. The concept of a nation-state, even if it is multi-tiered, as a power to intervene in social processes is increasingly at odds with today's geographies and socio-economic processes, which extend way beyond the borders of the nation-state and, in fact, any jurisdictional border. Social processes can no longer be characterised or easily demarcated in geographical terms, let alone by borders. Many processes find their origin in local or global trends, as well as everything in between, and can hardly be dealt with at one particular geographical scale. As a result of multiple overlapping and conflicting processes taking place at various geographical scales, our societies have become fluid or splintered (Graham & Marvin, 2001) and territories have become fragmented (Allmendinger & Haughton, 2009). The idea of the nation-state having complete control over its territory may have to be consigned to history.

For the ESPON RISE project this means that a first step in analysing cases is to determine whether regional integrative strategy making applies to a hard jurisdictional space or, in contrast, a soft space? From there a second step, in particular in the case of soft spaces, is to establish what the main reasons (functional, institutional, market driven or other) have been to actually start the strategy making project and which stakeholders have asked for it.

Main o*perational questions* for the case study analysis:

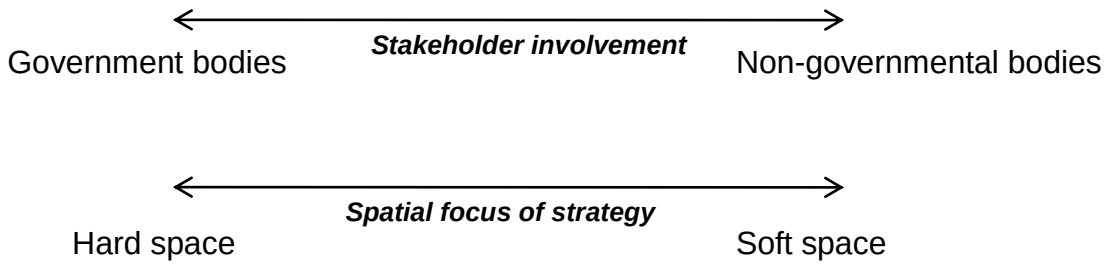
- Is the space concerned by the regional integrative strategy a hard or a soft space?
- In the case of a hard space: is it a matter of government or governmental bodies, or are also non-governmental, private and/or societal bodies involved in strategy making?
- What are the main functional, institutional, policy, market driven or other reasons that underlie the strategy making project, and which stakeholder(s) put it on the agenda?

The following *concepts* can be proposed:

- *Hard space*: rigidly demarcated administrative territories or jurisdictions legally controlled by a government body.
- *Soft space*: spatiotemporal fixes (places) of associational (governance) networks that break away from the rigidities associated with the formal scales and have fuzzy boundaries (Allmendinger & Haughton, 2009).

Again we can use matrices to assess the dimensions of governance and territory. See the matrices in figure 4.2.

**Figure 4.2 Matrices on governance and territory**




## 4.4 Multi-level governance

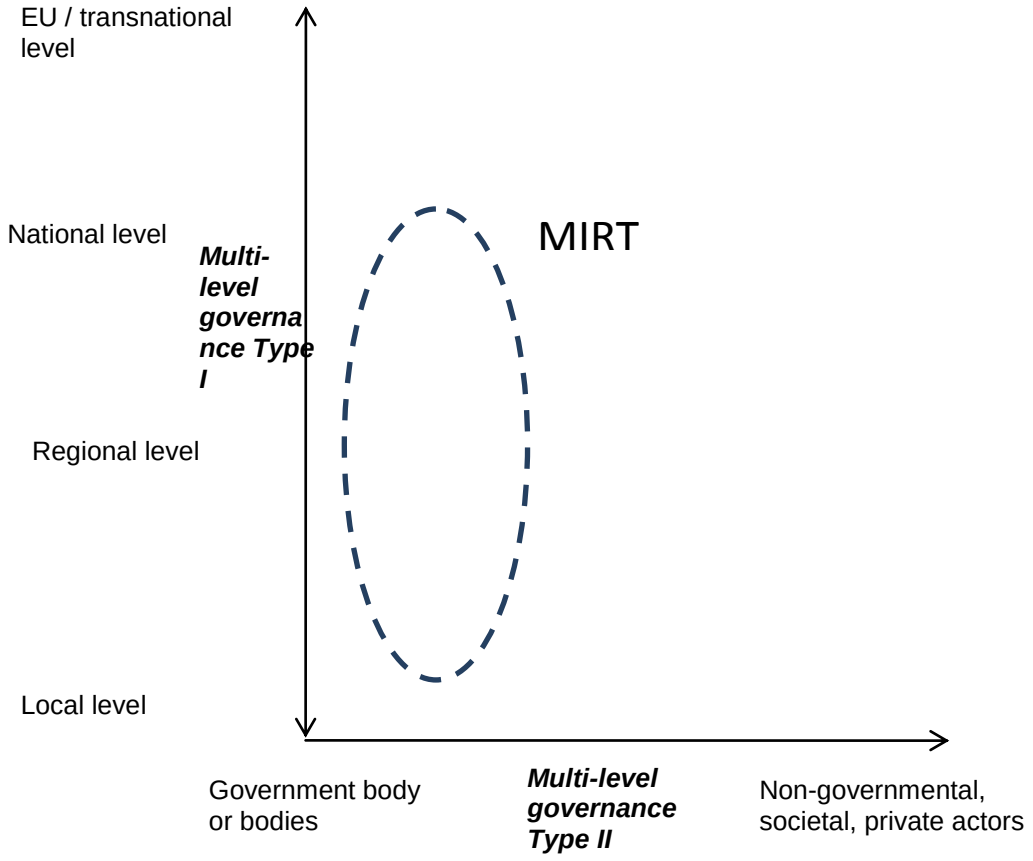
In responding to societal changes and trends there has been a 'restless search' for the appropriate governance of place (Healey, 2007, p. 171). Governance practice has become so complex that it urged the inventers of the original concept of multi-level governance, Marks (1993) and Hooghe (1996), to reconsider their previous ideas, which referred to a hierarchical system of jurisdictions. In a more recent publication (Hooghe & Marks, 2001, see also Hooghe & Marks, 2003) they distinguish between two basic types or models of governance, simply labelled multi-level governance Type I and Type II. The former refers to the original concept with non-intersecting general-purpose territorial jurisdictions arranged in a hierarchical way, while the latter views governance as a complex, fluid, patchwork of innumerable, overlapping jurisdictions. Type I governance is designed around a human (usually territorial) community while Type II is centred around particular tasks or policy problems. Under the Type II model, it is not the jurisdictional borders that determine the development of governance arrangements, but the material object at stake. This material object can vary widely in terms of geographical scale. Type I multi-level governance is strongly related to territorial borders and jurisdictions nested in a hierarchical fashion but, as many observers once again argue (e.g. Amin, 2004; Salet, 2006; Gualini, 2006), there is no perfect 'fit' or ideal scale to address spatial issues in today's network society. Reality veers towards Type II multi-level governance.

The nature and scale of governance have important consequences for spatial planning. Spatial planning took shape within the boundaries of the modern nation-state, characterised by territorial synchrony (i.e. Type I governance). Most planning systems, therefore, are based on the concept of territory as a neatly ordered space within definite boundaries. Each scale has its own appropriate instruments such as land-use plans, strategic spatial plans and general guidelines. Although this may be an exaggerated stereotype of planning 'within borders', it can be argued that post-war planning systems are based on a conception of space as a geographical entity, that could be territorially managed by means of comprehensive integrated forms of planning, or by regional economic strategies (CEC, 1997). Planning approaches that treat space and place in such absolute ways are sometimes dismissed as 'Euclidian planning' (Friedmann, 1993), or 'container' approaches that are in "(…) contrast with the focus on fluidity, openness and

multiple time-space relations of 'relational-complexity' ideas." (Healey, 2006b, p. 535).

In the ESPON RISE project the distinction between Type I and Type II multi-level governance is relevant in order to analyse and characterise the actor and stakeholder setting around regional integrative strategy making processes. It enables researchers to characterise the composition of governance networks. In so doing we should be aware that multi-level governance Type I is mainly an affair between different layers of government. Type I characterisations are thus reserved for those cases which are driven exclusively by government bodies, without further coordination between government bodies at the same level. Considered in this strict sense it is hardly conceivable that cases can be solely characterised as Type I or Type II. Rather, each case will carry elements of both. What matters is to point out which multi-level governance relation or relations are dominant.

**Figure 4.3 Matrix on multi-level governance Type I and Type II: the example of the MIRT Randstad South Wing**




*Operational questions:*

- How can the case be characterised or ranked in terms of multi-level governance Type I and Type II? Is the project solely run by governmental bodies? Are bodies of different levels of government involved? Are different sector departments involved? Are non-

governmental, societal and/or private actors involved? And at which level of government?

*Concepts:*

- *Multi-level governance Type I*: coordination of decision making between non-intersecting general-purpose territorial jurisdictions arranged in a hierarchical way.
- *Multi-level governance Type II*: governance as a complex, fluid, patchwork of innumerable, overlapping jurisdictions centred around particular tasks or policy problems.

### 4.5 Governance networks

In time it has become more popular to speak in terms of 'network governance' rather than 'governance', since the latter concept is according to many too broad. As governance is by nature networked we prefer to use the concept of *governance networks* to focus on the relationships between the variety of actors and their relationships. This concept urges the researcher to focus more thoroughly on actors and stakeholders that are part of the networks. It also emphasizes the need to understand how and according to which principles and rules these actors and stakeholders interact with each other. In so doing, the actor network, its behaviour and products becomes the focus of research. Policy or governance networks therewith are an analytically more powerful concept than governance alone.

Based on extensive literature review Sørensen and Torfing (2009) define governance networks as follows:

> "A stable articulation of mutually dependent, but operationally autonomous actors from state, market and civic society, who interact through conflict-ridden negotiations that take place within an institutionalised framework of rules, norms, shared knowledge and social imaginaries; and contribute to the production of 'public value' in a broad sense of problem definitions, vision, ideas, plans and concrete regulations that are deemed relevant to broad sections of the population." (Sørensen & Torfing, 2009, p. 236).

Such governance networks may not only produce concrete policy decisions, but also change entire policy discourse, including the identity of the actors. According to Sørensen and Torfing such governance networks may assume different empirical forms in different countries, at different levels of governance and within different policy arenas. As such they might be:

- Self-grown from below or mandated and designed from above.
- Formal or informal.
- Intra- or inter-organizational.
- Open or closed.
- Tightly knit or loosely coupled.
- Short or long-lived.
- Sector specific or society wide.

- Preoccupied either with policy formulation or policy implementation (ibid, p. 237).

Whereas there is no commonly accepted theory on the way in which institutional and cultural contexts influence the form and function of governance networks, a rather generic picture can be presented regarding governance networks in Europe. Three broad traditions are identified:

1. a Northern and Western European tradition for the corporatist involvement of social partners (currently developing into broader stakeholder dialogue).
2. a Southern European tradition, whereby networks are negatively associated with lobbyism, corruption and criminal activities; and civil society participation in public governance is associated with the devolution of power to local and regional authorities;
3. a Central and Eastern European tradition where networks are negatively associated with the rule of old or new cliques, but a large effort being made to develop a legal framework for public-private co-governance (Sørensen & Torfing, 2009, p. 238).

Obviously, within the stakeholder countries of the ESPON RISE project governance networks are expected to play an important role in drafting regional integrative strategies. It is from that perspective that it could be interesting to make use of a number of indicators developed to measure the effectiveness of governance networks. Effectiveness of governance networks according to Sørensen and Torfing (2009) can be measured in terms of their capacity to accomplish the following:

1. Produce clear and well-informed understanding of the often complex and cross-cutting policy problems and policy opportunities at hand;
2. Generate innovative, proactive and yet feasible policy options that match the joint perception of the problems and challenges facing the network actors;
3. Reach joint policy decisions that go beyond the least common denominator while avoiding excessive costs and unwarranted cost shifting;
4. Ensure relatively smooth policy implementation based on a continuous coordination and a high degree of legitimacy and programme responsibility among all relevant and affected actors, including target groups, client advocacy groups, stakeholder organisations, public administrators and politicians;
5. Provide flexible adjustment of policy solutions and public services in the face of changing demands, conditions and preferences;
6. Create favourable conditions for future cooperation through cognitive, strategic and institutional learning that construct common frameworks, spur the development of interdependency and build mutual trust.

Whereas it would go too far, in the context of ESPON RISE, to assess all identified policy networks along these indicators, it could be interesting to focus on the conditions that are necessary in order to accomplish these things. It could be hypothesised that such conditions are of equal importance for successful processes of regional integrative strategy making.

*Operational questions:*

- Which actors and stakeholders can be identified as partners in the process of developing regional integrative strategies? And are those actors sufficient in terms of deciding and implementing the issues addressed by the strategy?
- What empirical form does the network of stakeholders have and does this comply with the nature and objectives of the regional integrative strategy?
- What conditions have been created in order to let the network operate smoothly and do these conditions correspond to the six indicators of governance network effectiveness as identified by Sørensen and Torfing (2009)?

*Concepts:*

- *Governance Network*: A (stable) articulation of mutually dependent, but operationally autonomous actors from state, market and civic society, who interact through conflict-ridden negotiations that take place within an institutionalised framework of rules, norms, shared knowledge and social imaginaries; and contribute to the production of 'public value' in a broad sense of problem definitions, vision, ideas, plans and concrete regulations that are deemed relevant to broad sections of the population. (Sørensen & Torfing, 2009, p. 236).

### 4.6 Meta-governance

Within the context of analysing and characterizing cases of regional integrative strategy making it is important to analyse to what extent and how the game of strategy making is influenced by conditions and regulations imposed by higher levels of government. Whereas it is understood that governance takes place in a self-created negotiation context, this does not mean that higher levels of authority still aim to control these processes by setting limits and boundaries to the scope of decision making. The aim to influence decision making processes in governance networks is referred to as meta-governance.

Meta-governance is seen as the 'governance of governance', or the 'regulation of self-regulation' (Jessop, 2004). The purpose of meta-governance is to create some form of coordination, coherence and integration in the fragmented structures of network governance without completely undermining the autonomy, engagement and self-regulation in governance networks (Sørensen, 2006). The concept of meta-governance provides an analytical tool to further analyse processes of network governance. It was Scharpf (1994) who in the light of the apparent limitations of both hierarchical and horizontal networks of power developed an account of social coordination based on the inter-actions which occur between hierarchical structures and networks of self-coordination. In so doing it becomes possible to understand: 1) political hierarchies as arenas within which the negotiations and political struggles associated with governance are played out, without necessarily ascribing a deterministic logic to the exercise of hierarchical power; and 2) how interdependencies between hierarchical intervention and local political

coordination are structured. This works in two ways: hierarchical power is realised in and through local political practice, but at the same time effective local coordination capacity is enhanced by virtue of their embeddedness within hierarchical structures.

> "[M]eta-governance differs substantially from the concept of governance. The fundamental difference between governance and meta-governance is that while the former draws attention to the processes that dislocate political organization from government and the state, the latter focuses explicitly on the practices and procedures that secure governmental influence, command and control within governance regimes." (Whitehead, 2003, p. 8).

**Table 4.1 Mechanisms for government office control and management of Single Regeneration Budget partnerships in the West-Midlands region (Source: Whitehead, 2003)**

| Government Office operations | Governmental techniques |
|---|---|
| 1. Strategic frameworks and guidance: | • Bidding guidance.<br>• Regional regeneration strategies.<br>• Re-drafting SRB bid submissions.<br>• Financial control of annual SRB fund release. |
| 2. Monitoring and assessment: | • Quarterly review statements.<br>• Annual reports.<br>• Milestone checks.<br>• Outputs measurement (key indicators).<br>• Management system audits.<br>• Information technology and SRB databases.<br>• Delivery plans.<br>• Delivery statements.<br>• Calling in of individual projects. |
| 3. Fear and discipline: | • Competitive bidding.<br>• Red and Yellow Cards.<br>• Financial claw-back.<br>• Designation of an accountable body.<br>• Project appraisal. |

Table 4.1 shows a number of meta-governance mechanisms as exercised by the English government in the context of urban regeneration in the West Midlands. More in general Sørensen (2006, p. 101) identifies four distinct ways in which meta-governance may be exercised. They are:

1. *Hands-off framing of self-governance*. This about shaping of the political, financial and organizational context within which self-governance takes place. This form of meta-governance can be characterized as hands-off because the meta-governor is not in direct contact with the self-governing actors. This also counts for 2.
2. *Hands-off storytelling*. This type of meta-governance is exercised by shaping interests through the formation of the meanings and identities that constitute the self-governing actors. Meta-governance through storytelling represents a forceful means to influence self-

governing actors and thus to promote unitary strategies to problem solving.

3. *Hands-on support and facilitation*. This type of meta-governance is obtained through offering support and facilitation to self-governing actors. This form of meta-governance is hands-on in the sense that the supportive and facilitating meta-governor interacts directly with the self-governing actors.
4. *Hands-on participation*. This means the participation of the meta-governor in processes of self-governance. Hence, a meta-governor can seek to obtain influence on the outcome of self-governance through direct participation. To do so, however, the meta-governor must give up any authoritative position and participate according to the specific self-constituted rules of the game that exists in a given self-governing environment. (Sørensen, 2006, pp. 101-103).

On the basis of the discussion above we may conclude that sovereign rule is being replaced by alternative forms of governing. It is not based on detailed top-down control but on a plurality of indirect ways of influencing and or coordinating the actions of self-governing bodies (Sørensen, 2006).

*Operational questions:*

- Is it possible to identify influences on regional integrative strategy making of higher tier government bodies without them being present or part of the governance network? Or in other words, does strategy making takes place under a shadow of hierarchy?
- Is the process of regional integrative strategy making embedded in a wider organizational setting which imposes, for example, deadlines, procedures, guidance or other influencing conditions on the network governance process?
- Are these hierarchical conditions perceived as positive or negative for the outcome of the regional integrative strategy making process?
- Are instruments such as contracts, result management, management by (political) objectives, and financial frameworks (see Sehested, 2009) used during the strategy making process?

*Concepts:*

- *Meta-governance*: "Meta-governance is a way of enhancing coordinated governance in a fragmented political system based on a high degree of autonomy for a plurality of self-governing networks and institutions. (…) [M]eta-governance is an indirect form of governing that is exercised by influencing various processes of self-governance." (Sørensen, 2006, p. 100) "Meta-governance is therefore an indirect means of performing 'regulation of selfregulation', both at the macro level (e.g. Jessop, 2002) of societal governance and at the micro level of network management (Klijn & Edelenbos, 2007)". (Sehested, 2009, p. 248).

## 4.7 Concluding remark

This chapter is about a number of closely related issues: the *shift* from government to governance, how through governance actors are dealing with 'their' *territories* (as a hard or a soft space), what kind of *networks* these actors are shaping and whether the functioning of these networks could be influenced through something called *meta-governance*. Under each heading (i.e. each section) we have proposed a number of *operational questions* and *definitions of concepts* which could act as a guidance for assessing and interpreting the results of the RISE case studies. As these questions and concepts can be found at the end of every section there is no need to summarize the concept of this chapter.

# 5. Collaborative planning, legitimization and partnership[4]

## *5.1 The communicative turn in planning*

Literature chosen for this review suggests two levels of conceptualising. One level relates to collaboration and communication as an overall 'turn', a change from general and established discourses into other (or perhaps complementary) on the same level.[5] As for the conventional view of planning, Innes (1998, p. 53), focusing on information in planning, concludes: "experts develop information in response to questions from decision makers or to solve problems that decision makers have identified". In this view an instrumental rationality guides the production and use of scientifically grounded information, which is provided by professionals and experts. The information in this traditional view is used to produce spatial plans, which are ideally "blueprinted"/transformed into built form on the ground (Healey, 2003). This conventional view has been challenged widely; here mainly through reference to Habermas theories on communicative rationality (Healey, 2003). The proponents of a *communicative turn* in planning not only focus on the role of communication in planning, rather they argue that communication and collaboration are at the very heart of planning. As a consequence, planning needs to be re-thought and re-organised, and a new communicative ethic ought to be more clearly elaborated (Innes, 1998, p. 60).

Booher and Innes (2002) places this communicative turn within the context of an informational society, where technological, economic and social change produces more networked ways of dealing with reality. Not surprisingly then, the second level of conceptualising focuses on planning practices, suggesting that "what planners do most of the time is talk and interact" (Innes, 1998, p. 52). Rather than considering information and knowledge as detached and objective facts:

> "information influences planning and public action by becoming embedded in the thought, practices, and institutions of a community, and thereby influencing actions. (…) [I]nformation frames, or in other words, limits the available choices in the first place. It points the way to and defines the nature of the reality that decision makers confront. Information acts more as a lens than as a bottom-line finding" (Innes, 1998, pp. 54-55).

To establish these kinds of changes, information needs to fulfil certain criteria, it "does not influence unless it represents a socially constructed and shared

[4] This chapter has been prepared by Lars Larsson and Robert Sörensson, Centre for Regional Science, University of Umeå.

[5] Since collaboration necessarily includes interaction and sharing of information, reference is also being made to the existence of an information society (Innes, 1998).

understanding created in the community of policy actors" (Innes, 1998, p. 56). Shared understandings are developed through a variety of communicative processes where multiple kinds of information is shared and negotiated. Even though many commentators relate these insights to Habermas, Booher and Innes (2002) and Healey (2010) find inspiration for this *collaborative planning* rooted in Giddens' theory on structuration.

As a consequence then, planning can no longer be considered an instrumental exercise for those holding the political and economic (hegemonic) power only (see e.g. Arnstein, 1969; Booher & Innes, 2002; Healey, 2003). Researchers stress various aspects of this conclusion and its consequences for planning practices. A common strand is to argue for enhanced communication and a contextualisation of conventional planning. Once context is allowed to influence planning other actors, interests and structures need to be taken into account more comprehensibly. They need to be included in communicative processes through collaborative planning.

### *5.2 When policies are integrated via strategies which are the important connections between government and the civil society at large and which key actors are included?*

Integrating strategies is a political and administrative endeavour, integrating them also in action needs a new and more nuanced understanding of power (see below) along with new forms of interaction and communication. Innes (1998) suggests that only a small – but necessary – part of information and communication should be of the technical kind. She adds participants' experiences, stories they tell, images and representations used in stories and intuition as relevant sources of information and forms for communication. This approach opens up for criticism, and responding to that she develops a communicative rationality as a foundation for collaborative planning. It is needed in order to support communicative actions in competition with information based on scientific rationality (1998, p. 60):

- All important interests must be represented at the table, they ought to be equally informed and have the same capacity to act on behalf of their organisations. Therefore,
- All must be equally empowered in discussions.

Once empowered,

- The power of the argument is the important dynamic[6] and
- Consensus should be sought.

From there, various co-operative arrangements can be set up, taking development ambitions and local specificities into account. Leach et al. (2002) enhance the understanding of stakeholder partnerships through comparison with three other forms of collaboration. They are: (1) Advisory committees, (2) Public hearings, and (3) Negotiated rule making. An advisory committee covers a specific project or programme conducted by a public agency or a

[6] To assess speakers' claims and arguments, ask: Do they speak sincerely and honestly? Is he or she in the legitimate position to probe a certain argument? Can the argument be backed up? Does he or she speak comprehensibly? Is the statement factually correct?

private enterprise. The participants are interest groups, technical experts, and/or public agencies, selected by the sponsor agency. The committee may address any or all of the stages of the policy cycle over an extended, but not indefinite, period of time.

A public hearing covers a specific project proposed by an agency or private developer. The participants are interest groups, citizens, one or more permit-issuing agencies, and the meetings are open to the public. The hearing only takes place during the planning stage of the specific project and timing is often driven by statutory deadlines. And it splits up after the plan is finalized.
Negotiated rule making can be used as a form of collaboration when a specific regulation is proposed. The participants are affected interest groups that are selected by the rule-making agency. It is only active during the rule-making stage and splits up after the rule is set.

Partnerships do in comparison to other forms of participatory policy making combine a broadly defined issue with participation by multiple levels of government for an (potentially) indefinite duration of time. Furthermore, the broad scope and duration allows partnerships to define the complete policy cycle of problem definition, policy adoption, implementation and assessment.

### *5.3 How to assess the level of public participation and collaborative planning in the making and implementation of spatial strategies?*

Relating to the literature used here, it is not possible to set up a routine or measuring procedure and establish exact levels of participation. Some authors suggest typologies and criteria that can be used to identify important aspects of participation, but they do not provide scales or indexes. Rather, criteria are used in qualitative ways, with the most established being Arnstein's (1969) *ladder of participation*. Her ladder of participation is clearly normative since citizen participation and high levels of citizen power are a desired good as a part of an emancipatory project. The redistribution of power enables the have-not citizens, previously excluded from political influence, to be deliberately included. It is a strategy by which the have-nots join in determining how information is shared, goals and policies at set, tax resources are allocated, programmes are operated, and benefits are distributed. Participation in planning without redistribution of power is an empty and confusing process, which allows the power-holders to claim that all sides have been involved, but makes it possible for only some to benefit – it maintains status quo.

Arnstein's typology includes eight levels of participation. They are presented through a ladder metaphor, where each step corresponds with increasing levels of citizens' power. First Arnstein identifies (1) Manipulation and (2) Therapy. These two steps depict levels of *non-participation,* some contrive the two steps to substitute for genuine and real participation. Here people are not invited to participate in the planning process or in conducting programmes, rather power-holders 'educate' or 'cure' the participants.

The rungs 3 to 5 cover different *degrees of tokenism*, i.e. symbolic measures of participation, that allow the have-nots to hear and to have a voice by (3) Information and (4) Consultation. Under these conditions citizens lack the power to assure that their views will be heeded by the powerful – no assurance of changing the status quo. At rung (5) Placation, a higher level of tokenism is identified where the rules put have-nots in an advisory position, while the power-holders still retain the right to decide.

At the top of the ladder there are three *degrees of citizen participation* in planning and decision making. A Partnership (6) enables the citizens to negotiate and engage in trade-offs with traditional power-holders. When Delegated Power (7) and/or Citizen Control (8) is achieved, citizens obtain the majority of decision making seats, or full managerial power.
Relating to the RISE project, the emancipatory aspects of planning may seem less important as there is a strong emphasis on the efficiency in delivering strategic planning. However, efficiency in planning and policy is partly dependent on the quality of decision making trajectories in the sense of the integration of the interests of stakeholders. That is because stakeholders can have blocking power (for instance through appeal procedures) or can count on sympathy on the political level (political representatives). So Arnstein's more developed descriptions of each level could be of use to identify levels of participation. In that respect collaboration essentially involves a greater emphasis on varied and relevant forms of communication, as presented above.

### *5.4 In what ways can barriers to the legitimization of strategies be overcome?*

Phelps and Tewdwr-Jones (2000, p. 114) identify the probably most important obstacle or barrier to legitimization of strategies – power. Each of the four regions involved in the RISE project are situated in democratic states, which means that none of the strategies analysed are non-democratic or illegitimate as such. Instead power can be considered a distorting factor in communicative action among stakeholders. Innes' (1998) layout of a communicative rationality identifies the need for each actor to legitimately have their say in discussions, in communication. Margerum (2002, p. 238) calls this a "process of shared decision making – usually through a group of stakeholders prepared to share information and build consensus".[7] In this process, Margerum (2002, pp. 242-251) identifies aspects that can produce obstacles to consensus building:

- Selection and composition – limited inclusion and vague representation.
- Context – societal-level dynamics, technical complexity, historical barriers.
- Operation – lack of resources, management by consensus processes.

[7] Margerum (2002) suggests three phases – problem-setting, direction-setting and implementation. The two former are the consensus-building processes.

- Organisations and interests – political and organizational cultures (lack of commitment, lack of guidance), organizational disincentives (unclear representation).
- Ideology – ideological barriers, differing perceptions of problem.
- Power and capacity – operational capacity, power disparities.

Here, only the aspects are mentioned, but reference is also made to ways to deal with these difficulties. Depending on the approach for the RISE project, these strategies for managing obstacles can be provided and developed. However, power and its unequal distribution are always present. Actors with political mandates, those with larger economic resources and those traditionally and discursively included are in positions to distort communication.

A complementary approach to structuring collaborative processes and thereby possibly overcoming barriers, is the actor relational approach drawing on urban regime theory and associative democracy. Boelens (2010) suggests a seven step operational working scheme:

1. Interpreting the problem by determining the focal actors and unique core values.
2. Actor identification and actor analysis.
3. Opportunity maps and development possibilities.
4. Bilateral talks and round tables.
5. Business cases and pilots.
6. Regime development and general plan outlines.
7. Democratic anchoring in special districts.

The first step is about the unique selling points and consists of a) the identification of the primary problem or stakeholders and b) an analysis of the unique core features of a region, an issue or an entity. This step can be seen as the most important one, as practical planning issues are still often formulated without clear focal (f)actors with respect to the business and civic society, and with respect to the non-human (f)actors of importance. These unique core values and their incorporation of actors have the effect of imparting meaning to the whole of the subsequent planning process. If the unique core values or focal actors are absent then the controversy and the planning issue are in fact non-existent.

The second step is the identification of other potential leading actors who feel connected to or content with these core values, or who see new chances and possibilities for themselves. They may live, spend time, or work within the locality, or have some fundamental involvement with the issue in question. Even those who are distantly connected to these planning issues may be involved. They need to be able to act like leading actors, since actor-network associations are fundamentally open and cut across different scale levels, sectors, and institutional fields of expertise. All kinds of resources available may be used in this analysis.

The third step consists of compiling opportunity maps and/or development possibilities on the basis of the analysed internal motives and drivers of the

focal actors, with a view to the conservation, reinforcement or harnessing of the unique core values of the issue or region concerned. All available planning instruments should be used. They need to be proactive, future oriented proposals, enticing and convincing in order to secure commitment from the identified actors.

The fourth step includes discussions of the opportunity maps in bilateral or round table talks. The objective is to see whether the opportunity map meets expectations and if there is a will to invest. This is the first real test of the process – an indication of willingness to invest often reveals the degree of interest. At this stage actors could be identified as pullers and pushers. Pullers take the initiative and are more active and enthusiastic about further elaborating an opportunity map in accordance with their own and surrounding viewpoints, whereas pushers partly in view of their status and/or take a more passive and facilitating role. The actor network association which could be established at this point is the basis for the rest of the process.

The fifth step is the key test of the process. The opportunity map is put into concrete form in one or more business cases, as pilots for specific project components. At this stage the ultimate division of roles is now determined. Where necessary a contract sets out what each actor is prepared to invest and when, and/or where and to what extent the backing of representative constituencies is guaranteed. If there is failure at this point it will be hard to come back quickly to further discussions of core values, but if there is success there are further implications and even spin-offs in other areas.
Given that the preceding step is a success, the question arises whether there is a spatial added-value that corresponds to the unique core values of the issue or region in question. If so, the term regime is used to capture this concept. If the focal actors or other public-private actors succeed here, the foundations are laid down for a new sustainable spatial regime, ready to adapt to changing circumstances.

In the seventh and final step, it is necessary to see how far this spatial development regime can be anchored in associative democracies. This step focuses on parallel made-to-measure democratic organizations to which the affected households, businesses, and institutions can affiliate of their own free will, and because they will benefit by doing so. This should be seen as a supplement to the current centrally organized institutions and representative democracy.

The key difference vis-à-vis a government taskforce or co-operative public-private ventures is that from the beginning its focus is outside-inward, instead of inside-out. It starts from a problem definition, an involvement ventured by stake- and shareholders in the business and/or civic society. Space and planning is not considered as a container or platform for action, but as an assemblage which emerges step by step in the relationship between actors and factors of importance. It starts with leading actors with the capacity and incentive to invest in their local environment, and therefore embedded out of pure self interest in the interests of other networks and institutions.

### *5.5 What kind of public-private partnerships are possible when it comes to the making and implementation of spatial strategies?*

Some answers to this question have already been provided. And rather than imagining the theoretically *im*possible partnership alternatives, we start with their formation and resourcing as being grounded in contextual factors. Any contextually negotiated form of partnership is then initially possible.

One example of this is Teisman and Klijn's (2002) suggestion of three forms of private involvement in spatial development projects, which differ with respect to the role of government, process characteristics, role of private actor, and action taken. The three forms are: 1) a traditional contracting out scheme, 2) the combination model, and 3) the partner model.

In the traditional *contracting out scheme* the government specifies what is needed, thereafter follows a tendering procedure leading to contracting out. The role of the private actor is to carry out the production process of the specified project, and the finished job is handed over to the government. A characteristic of the *combination model* is that governments and private parties is involved in decision making at an early stage, but still develops separate ways for public and private decision making. The government defines its global aims, next ensues an early tendering procedure that picks the best private proposal even though a definitive public decision is not available. The private actors shape the proposal in interaction with public decision making units. In the final step the project realization is provided by private companies. The *partner model* builds on a joint platform set up by governments and private parties in which all actors participate on a risk sharing basis. Together they form a joint principal relation to parties who tender for part of the project, and there are joint schemes for production and exploitation.

### *5.6 Conclusions*

The RISE project focuses on territorially relevant policies, plans and strategies in the public domain, so policies, plans and strategies drawn up under the supervision of governments and governmental agencies. Under various banners we have discussed what literature says about the involvement of actors outside government. For most authors power sharing is the most central concern. We have come across various distinctions to ass the level of power sharing. The most well-known typology has been developed by Sherry Arnstein in the late 1960s, an era of public turmoil about decision making, content as well as processes and procedures. As spatial planning, policies and decision making in many cases often directly influence the daily living environment this domain was leading in the general discussion about participation (the dominant term in the 1960s and 1970s) and collaborative planning (the dominant term during the last two decades).

In this part on collaborative planning, legitimization and partnership we have also discussed literature which is not primarily focused on the legitimate nature of governmental plans, strategies and actions but also literature

questioning the effectiveness of these plans, strategies and actions. The actor-relational approach as proposed by Boelens (2010) is partly based upon novel ideas about democracy but is for another part based on a recognition that decisions taken by societal actors, whether an individual, a company or all sorts of developers and investors have a territorial impact far larger than any government action or plan. To ignore that will make any public strategy blunt.

The literature discussed makes it necessary to pose the following operational questions when analysing and assessing the RISE cases:

- Which level of public participation characterizes the RISE strategies?
- Which stakeholder networks (members, relationships, configuration) were involved in the making and implementation of the RISE strategies?

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# RISE
## Regional Integrated Strategies in Europe

Targeted Analysis 2013/2/11

Annex 2 to the Draft Final Report | Version 1, 30/March/2012

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# ANNEX 2 Detailed Case Studies

# RISE CASE STUDY REPORT – BIRMINGHAM, UK

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March 2012

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**University of Birmingham, Birmingham, UK**

CONTENTS

## INTRODUCTION

The ESPON funded project *Regional Integrated Strategies in Europe: Identifying and exchanging best practice in their development* involves four case studies: Birmingham/West Midlands in the United Kingdom, Region Sealand in Denmark, the Randstad Region in the Netherlands and Västerbotten in Sweden. This report presents the case study for Birmingham/West Midlands in the United Kingdom.

The overall objective of the project is to develop a knowledge and understanding of *regional* integrated strategies – of their emergence and of their operation – in Europe. It is argued that integrated spatial planning is able to help secure efficiency gains through improved *vertical* integration of activities across spatial scales and *horizontally* between regions (Kidd, 2007). The aim this case study is to analyse and to understand whether and how actors involved in developing a particular *region* are achieving policy integration and thus higher levels of efficiency and effectiveness.

It should be noted that the concept, *region*, is italicised. This is because regions and regional level institutions have been scrapped in the UK. The emphasis is on *localities* at the sub-national level. However, the Regional Studies Association has suggested that Localism is the new Regionalism; there may be case for continuing to use the term region (Ward and Hardy, 2012). It should also be noted that the United Kingdom consists of Wales, Scotland and Northern Ireland, as well as England and different organisational arrangements obtain in the other localities in the UK than in England. However for the sake of simplicity, and since it is common parlance to do so, the report uses the term UK rather than referring to England.

Following the election of a Coalition Government in the UK in May 2010, the new administration abolished all regional level institutions, among them the Regional Development Agencies, which had been responsible for strategic economic development and, along with this, all regional strategies and plans. The new Government proposed that Local Enterprise Partnerships (LEPs) be set up at a sub-regional level, to take on various functions related to strategic planning and economic development. The situation has been continuously evolving, as Government Ministers have made successive pronouncements about economic development and planning arrangements in regard to the LEPs and the role of other administrative tiers in relation to economic development, planning and housing and governance and other matters. Policy statements are continuously emerging and it can be argued policy is being made in a piecemeal way. It can be said that the role and position of the LEPs has not been finalised. Further developments are expected. To date, 39 LEPs have been set up; their jurisdictions do not cover the whole of England. This report concerns the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP).

The report begins with a description of the background to the changing pattern of economic governance in the UK, the abolition of regions and the regional tier of administration and the establishment of LEPs, which are based on 'functioning economic geographies' at sub-national level. The report then presents a regional profile to contextualise the LEP area in its regional setting. The report turns to look at the emerging politico-administrative system for

strategic spatial and economic development and planning in the UK and more specifically in the Greater Birmingham and Solihull LEP locality. This section relies mainly on written sources on policy. This is followed by the discussion of findings from semi-structured interviews with LEP Board members, local government officials and stakeholders involved in the LEP, about their perceptions, attitudes and experiences of the LEP and the extent of policy integration in the work of the LEP. It should be noted that the interviews were carried out before information on the GBSLEP strategy and spatial framework became available. Government economic and economic development and planning policy was also evolving during the course of the study. This posed some difficulty in producing the case study report as information was not available. However, the study has provided the opportunity to observe a transformational process; the on-going reform of institutional structures and the extent to which territorial integrative strategic planning is taking place within these new structures.

The following section presents a discussion of the LEP and the work of the GBSLEP in relation to the topics related to the aims of the project: policy integration; policy transfer; forms of governance and issues of meta-governance; and the extent of collaboration. The section is based on a mix of the data sources including the synthesis Literature and Document Review report produced as part of the project. The final section of the report presents the results of a focus group discussion with stakeholders about the extent of territorial integrative strategic planning in GBSLEP and their impressions and opinions on the toolkit derived in the ESPON project for achieving an integrative approach to strategic planning.

## BACKGROUND ANALYSIS: THE CHANGE IN THE ROLE OF THE STANDARD ADMINISTRATIVE REGION WITHIN THE NATIONAL SPATIAL PLANNING SYSTEM IN THE UK

### Regions and Regional Strategic Planning abolished in Great Britain

As noted in the introduction, the situation with regard to the role of the region in the national spatial planning system and in relation to the strategic economic development function in the UK has changed since the election of a Coalition Government in May 2010. Administrative regions no longer exist in Great Britain. The Right Honourable Eric Pickles MP, Minister for Communities and Local Government, has said that "the whole concept of 'regional economies' is a non-starter and that [regions are] arbitrary dividing lines across the country for bureaucratic convenience…".[1] All regional institutions and all regional scale functions have been scrapped and handed to other authorities, with spatial planning powers, in particular, being handed back to local authorities. Strategies that were in force in the West Midlands, the Regional Spatial Strategy, the Regional Economic Strategy the Regional Housing Strategy and the Regional Sustainability Strategy, among others, have all been scrapped.

[1] Posted on 10 September 2010 at 16:06 in Eric Pickles MP | Permalink

Prior to the election, however, in the West Midlands it was the two documents, the West Midlands Regional Spatial Strategy (RSS) and the West Midlands Regional Economic Strategy, "Connecting to Success" (RES), that jointly provided an overarching planning framework for the region. They were produced, broadly speaking, under the auspices of the Regional Development Agency (Advantage West Midlands) and the West Midlands Regional Assembly. The RSS incorporated housing, planning and transport planning, and was the framework for planning strategy and development control at local authority level. The RSS and the RES between them covered all aspects of planning. Its original implementation period was until 2026, but it is subject to a Revocation Order to be confirmed under the Localism Act, which saw Royal Assent in November 2011 following its passage through the Houses of Parliament. While the RSS and the RES were not integrated in content, by bringing them ultimately under one body, (the RDA) there was an intention to integrate the different planning fields of economic and spatial planning and to replace this with a Single Integrated Regional Strategy (a RIS), which was to have been produced by the RDA, and which would have incorporated economic, housing, transport, environmental, and spatial planning matters.

**Regional Governance Arrangements Scrapped**

Governance arrangements at the regional level in the UK until their abolition were quite complex; the pattern has changed over the period from 1999 when the RDAs were first established. The RDAs were responsible for economic development and policy. Their work was subject to scrutiny by non-elected Regional Chambers. The latter signified a process of decentralisation rather than devolution, full devolution to a regional government being neither electorally or politically acceptable in England. The Regional Chambers were subsequently renamed Regional Assemblies. In common with all the Regional Assemblies, the West Midlands Regional Assembly (WMRA) had scrutiny powers over the work of the Regional Development Agency. It had representation from various stakeholder groups and, in effect a committee of the 'great and good' in the region, it gave a measure of accountability of the RDA's work to interests in the region, not national government. Scrutiny powers were subsequently passed up to a Select Committee of Parliament, however, when the regional assemblies were abolished in March 2010.

The West Midlands Regional Assembly was also the designated regional planning body for the region and was responsible for producing the Regional Spatial Strategy. It was also involved in producing the Housing Strategy. A Regional Planning Partnership was set up to guide the work on the RSS, within a framework set by national Government. The RDA and WMRA, as 'Responsible Regional Authorities', later took forward all Regional Spatial Strategy work as part of the strategy for the development of the West Midlands region, as noted above, in the integrated regional strategy (a RIS). The Regional Assembly however was wound up on the 31 March 2010, and the work halted.

Other bodies that were in existence in the regions were the Government Offices for the Region (GORs); these signified the presence of central government ministries in the regions. The Government Office for the West Midlands (GOWM) was responsible for co-ordinating the work of all central government departments in the regions, some of which had implications for

the work of the RDA. GOWM has been abolished. In addition, the West Midlands Regional Observatory, which was responsible for monitoring economic and social trends in the region and providing the evidence base for policy development by AWM has been scrapped. The government has proposed that regional level statistics will no longer be available; instead statistics will be collated and published for LEP areas.

Local authorities also have a regional presence. The West Midlands Leaders Board (comprising Leaders of local authorities in the region) and the West Midlands Local Government Association is now known as West Midlands Councils (WMC). The organisations had had a role in spatial planning. No longer having any status as a responsible authority for planning or for any other statutory function, WMC is an independent member led organisation comprising all 33 local authorities within the West Midlands. It supports, represents and promotes the interests of the local authorities in the West Midlands and the communities they serve.

All national government derived regional level governance structures have been scrapped. England now has Local Enterprise Partnerships and arrangements for strategic planning are different. The report turns to look at the new arrangements.

## THE POLITICO-ADMINISTRATIVE SYSTEM FOR SUB-NATIONAL ECONOMIC DEVELOPMENT AND SPATIAL PLANNING IN THE UK

### Political Structures in the UK

The UK's political system is organised on three levels: parliament at the national level, the County Councils at a 'sub-national' level, and within the county areas, District and City Councils at the local level. State administration is organised at these three levels: Government ministries at the national level, County Councils at County level and district and city councils at the local level. Prior to the abolition of the regional tier, the regional tier (albeit not democratically accountable) sat between the County and district level and the national level. It should be noted that some District Councils have unitary status and have the same powers as County councils. Local authorities also work in partnership at a formal level – in what were known as Local Strategic Partnerships and through Multi Area Agreements, and which attracted government funding. But they also work in partnership informally in, for example, the city-regions. Birmingham and its hinterland is not recognised as being a city region, but other major cities in the UK are, such as Leeds, Sheffield, Manchester and Liverpool. London is not seen as a city-region per se; it is different all together. The presence of a City Mayor, who has particular powers, also gives London a special status. It has retained its Regional Development Agency.

In addition, there is the EU scale of politics and governance. The abolition of the RDAs and regions has put the UK out of step with Europe in relation to the Structural Funds. When the LEPs were announced, and the regional tier of administration abolished, it was proposed that the European Regional Strategies for England be scrapped and that the regional teams that managed the Structural Fund programmes be disbanded. It was proposed instead that there would be a Single Programme for England and that the programme be

managed by a national Government Ministry, the Department of Business Innovation and Skills (see below). However, it was decided that skeleton regional teams would be retained as the managing authorities for the Structural Funds, and that they would be placed under the management of the Department of Communities and Local Government (DCLG; see below).
Further developments however can clearly be expected in relation to the administration of the Structural Funds, particularly given the intention of the European Commission to further devolve responsibility for the management of programmes under the proposed regulations for the 2014-2020 programming period. It is not clear what will happen in the UK. There is an issue of whether the 'regional' teams will be kept in place, or whether the LEPs or local authorities will be empowered to act as managing agents for the structural funds. It remains to be seen whether the Commission will allow this; it has said that there is only one case in the EU where an authority at such a level is empowered to manage the programmes. Regional teams might be kept in place or the LEPs might be given the authority to act as managing agents.

**The Institutional Framework for Sub-national Economic Development and Spatial Planning in the UK**

The election of the Coalition Government in the UK in May 2010 saw a recasting of the structure and role, as well as policies, of central government institutions as they affect and shape sub-national spatial and economic development. One of the key ministries to have a role is the Department of Business, Innovation and Skills (BIS), with Dr Vince Cable (a Liberal Democrat) as Secretary for State, has a vision of "building a new and more responsible economic model". Among its competences are enterprise and business development, business sectors, innovation, science and technology policy but also skills and higher and further education. A number of activities are delivered by non-departmental public bodies (NDPB) which BIS has some purview. Skills funding, for example, is delivered through the Skills Funding Agency and at the strategic level by the United Kingdom Commission for Employment and Skills (UKCES) and its Sector Skills Councils, which carry out research on skills needs. BIS also is responsible for Business Links (BL), which has the role of providing business support; BL had a regional presence but it is now provided via a telephone and on-line service. Inward investment is handled by United Kingdom Trade and Investment (UKTI), another NDPB reporting to BIS. BIS has been developing an Industrial Strategy for the UK. It is in nascent form but has a number of elements in it including Innovation and Technology policy.
The Department of Communities and Local Government (DCLG) is headed by Eric Pickles (a Conservative) as Secretary of State and has a policy remit that includes: Communities and neighbourhoods; Fire and resilience; Housing; Local government; Planning, building and the environment and Regeneration and economic growth. It is responsible for the Local Enterprise Partnerships. Other key Ministries are the Department of Work and Pensions, which is responsible for welfare and pension policies; the Department of Transport; the Department of Farming and Rural Affairs (DEFRA); and the Treasury (HMT). Her Majesty's Treasury is seen in the UK as being all powerful; it has tight control over public expenditure including expenditure at sub-national level.

Local authorities in the UK are responsible for a range of functions including of relevance to this study, planning and economic development. Funding comes from local rates (a property tax); central government, for special programmes; and the EU, if the locality is eligible for EU funds. However, the UK is also seeing increasing privatisation of public services, in particular, but not only, through the development of Social Enterprises which the Coalition Government is promoting under the banner of the notion of 'Big Society' and the notion of 'localism'. Social Enterprises are seen as a way of empowering people. The Government is also enabling private sector companies to bid to provide state run services. The argument is that the private sector can provide services more efficiently than the public sector and, it reduces the tax bill.

The developments in the UK must be seen in the context of the neo-liberal agenda of the Coalition Government, in which it is pursuing a policy of reducing the public sector budget deficit through making cuts in public expenditure and increasing taxation. The Government also wants to rebalance the economy away from a reliance on the public sector to the private sector as the creator of jobs. It is aiming to foster the growth and development of the private sector. The Conservatives argue that the state imposes barriers to the development of the private sector. Deregulation is an important element of the pursuit of free market policies which characterise a neo-liberal agenda. The abolition of the RDAs can be seen in the light of this agenda as can the reform of the land use planning system, as well the establishment of the LEPs.

**Local Enterprise Partnerships**

LEPs are "joint local authority-business bodies brought forward by local authorities themselves to promote local economic development" (HMG, 2010: p10). LEPs are seen as a new way of securing economic development and have been given the role of overseeing planning, housing, transport and infrastructure, employment, and enterprise and business start ups. In practice LEPs will not take on overseeing all these functions. The functions of the LEPs are not statutorily defined; they can decide what they want to do, within the broad remit of securing private sector-led growth. They have a strategic role; implementation is to be undertaken by government and other agencies. The LEPs are, in effect, a committee of the 'great and good' in a locality. The chair of a LEP has to be a businessperson and its membership has to consist of a number of business and local authority representatives (Councillors). Membership can include representatives from the education sector and the voluntary and community sector. Some LEPs have a wider governance structure with working groups being set up, which involve a wider constituency. Being so constituted, however, there is an issue about the legal status of LEPs. Some of the 39 LEPs that have been set up have chosen to set themselves up with a legal status, as a limited company. This assures a degree of accountability and lines of legal responsibility, the latter particularly important if the LEPs were to receive any funds from Government or the European Union, should LEPs be designated managing agents.

The LEPs represent 'localism'; the handing over of power to the local level for economic development and planning. The reasons for the shift in the territorial identity and the local being seen as the relevant territorial unit for spatial planning, and the decentralisation from the regional to (what we might call in

the UK) the ‘sub-regional’ regions, like cities or combinations of districts, is that, as seen above, the government sees regions as being arbitrary. The territorial dimension of LEPs is shaped by the notion of ‘functioning economic geographies’, self contained spaces within which economic activity takes place. LEPs are said to “better reflect the natural economic geography of the areas they serve and hence to cover real functional economic and travel to work areas” (HMG, 2010: p10). Defined as such it means that they can cover several local authority areas.

The government also wants to shift control to the local level, in order to empower people and to engender civic responsibility (Conservative Party, 2009). However, there are some difficulties posed for the LEPs on this front since, with the abolition of the regions, many of the levers of economic development which the RDAs held have been passed up to central government (Bentley et al, 2010). The Government however would see LEPs as a new way of securing territorial development and would see itself as *enabling* the LEPs to carry out what is necessary to secure private sector development in their locality. It has not set out any statutory duties for the LEPs in the Localism Act 2011.

**Spatial Planning Framework**

The Coalition Government has also set out new provisions for spatial planning. The National Planning Policy Framework (NPPF) and Local Development Orders are being introduced. The consultation on the proposals ended on 17 October 2011. However, although LEPs are in principle to oversee planning, the NPPF assigns responsibility for planning to Local Authorities and not LEPs. The NPPF and the Localism Act 2011 also contain formal proposals to make the planning system clearer, more democratic, and more effective. The Local Development Order allows a Local Planning Authority to introduce new permitted development rights. In setting out what it sees as a strong basis for economic growth, the Government has established that all developments are covered by a principle of a presumption of sustainable development. This means that certain developments will be allowed to go ahead as they will automatically have planning permission. They are seen as a ‘developer’s charter’, as they will in effect allow developers to build what they want, but the Government sees planning laws as a barrier to development and argues that regulations stifle enterprise in the private sector. The new approach however will speed up the development control process and developments can be built without delays.

The NPPF is also tied in with the provisions in the Localism Act on the Duty to Cooperate, and Neighbourhood Planning. In respect of the duty to co-operate, local authorities are required work with other councils and other bodies where it is important for them to work together across boundaries and to plan for the housing, transport and infrastructure that local people need. This suggests that local authorities in a LEP area might produce a joint planning strategy. However, local plans have to be produced by individual local authorities, before a joint strategy can be prepared.

A neighbourhood planning process is also being introduced whereby local people can have a say in what developments take place. This is to enable communities to say what their area should look like; where new shops, offices or homes should go. New Neighbourhood Development Orders will enable a

community to grant planning permission for new buildings they want to see go ahead. Neighbourhood Development Orders will also allow new homes and offices to be built without the developers having to apply for separate planning permission.

**Concluding Remarks on the relationship between National and Local Level of Government and Governance**

The relationship between central and local government can be seen as one in which the UK central government is an *enabler*. In tune with its agenda of driving economic growth through a free market principle, the LEPs, "joint business-local authority bodies", based on a group of local authority areas, Government has not ascribed any statutory duties to the LEP in the Localism Act 2011. It is not being prescriptive about the LEP role. The LEP can do what it wants but, in particular, the local authorities in the LEP area are freed by the Localism Act to do anything - provided they do not break other laws (DCLG, 2011a; Bentley, forthcoming). Nonetheless, Government has set a broad framework for LEPs in charging them with the task of devising an economic strategy for its locality. That strategy is being formulated by a partnership of local actors. At the same time, many of the levers of economic development held by the former regional scale institutions have been passed up to central government. The LEP is put in the position of having to engage and *influence* the institutions that will deliver its agenda.

In respect of spatial planning, the government has set about simplifying the planning system as it is seen as a barrier to development. Local authorities are now expected to formulate local plans but the new National Planning Policy Framework and Local Development Orders carry the presumption of sustainable development which means that planning permission is automatically granted to development proposals. At the same time, Neighbourhood Planning allows local people to have a say in what developments they want to see go ahead in their locality.

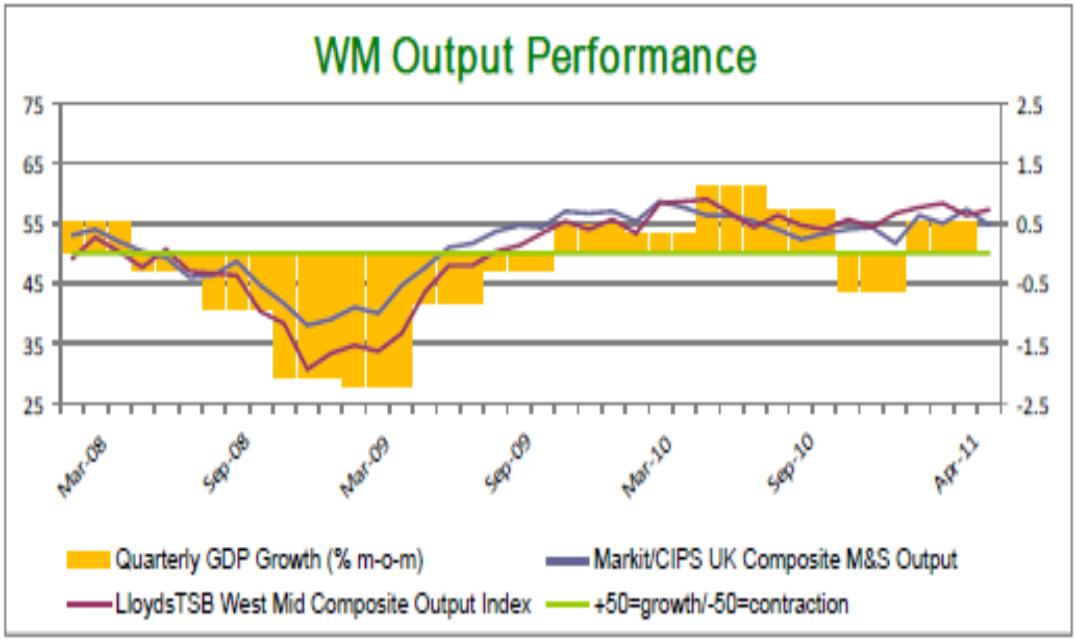
The government has fragmented the institutional framework for a regional scale strategic level integrated planning process by scrapping the regional tier of administration and making LEPs and individual local authorities responsible for territorial integrative planning. The picture is very much of a nationally level framed policy, but locally devised strategy, which requires delivery by a multiplicity of national and local institutions. This makes it all the more important, as the duty to co-operate requires, that local authorities within the LEP, and in adjacent LEPs, work together in taking an integrated strategic approach to planning on issues that by virtue of their scale geographies transcend their geopolitical boundaries.

## REGIONAL PROFILE

### Current position and trends in the economy of the West Midlands Region

The West Midlands and its capital city, Birmingham, like elsewhere in the UK and in Europe experienced a downturn in economic activity reflecting the impact of the recession stemming from the financial crisis and credit crunch of 2008, which slowed the growth rate of the region's economy. It has, however, shown signs of recovering slightly quicker from the recession than the UK as a whole, quarterly GDP growth becoming positive in autumn 2009 and, although contracting to around -0.6% in several months of late 2010, it rose again, to stand at 0.5% in the early months of 2011 (Figure 1) .

**Figure 1 West Midlands Economic Performance 2008 - 2011**

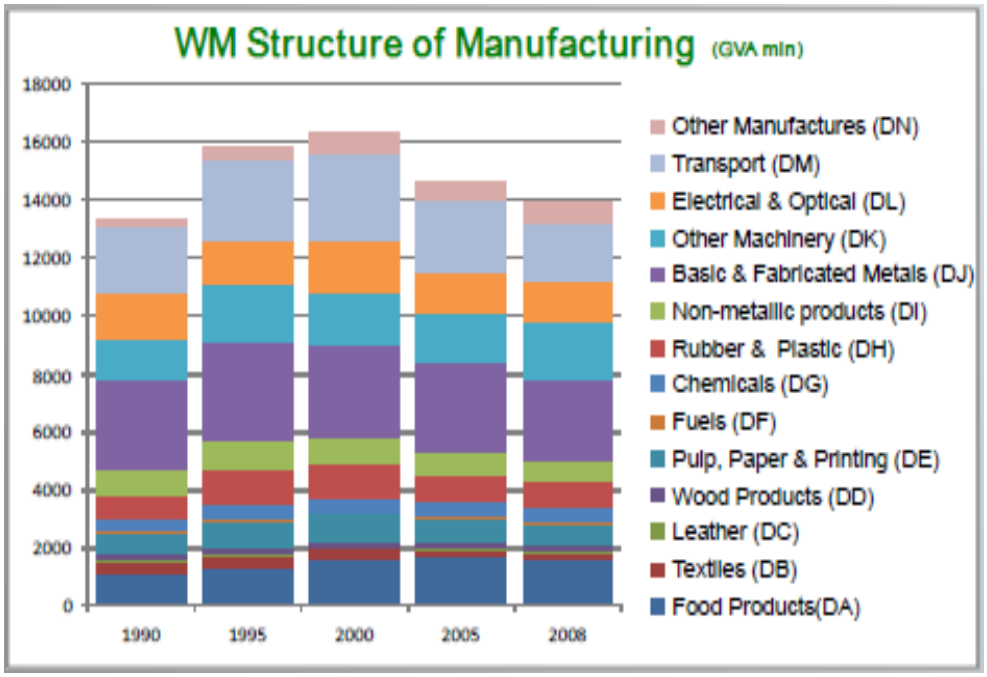



Nonetheless, given that only nominal GVA data is available, it is difficult to assess the true economic performance of the region. The region accounts for 7% of GVA produced in the UK but 11%o f population so performs below average. However, with service sector companies and HQs making returns via their London and South East based offices, real output in the region could be understated and so would undoubtedly be higher. Regional data is also becoming increasingly less available since the Coalition Government elected in the spring of 2010 set about abolishing the regional tier of administration, including the Regional Observatories which were responsible for monitoring the state of the region and which were host to a statistician from the Office of National Statistics.

What data is available also shows that the region has an output gap, a structural feature that has been evident for three decades. Between 1969 and 1999, manufacturing GVA increased by 34% but accounting for inflation, it suggests that real growth was marginal. Since 2000 output levels have regularly fallen in the period up to 2008, which has seen a contraction in

output of over 40%. Accordingly, large numbers of jobs have been lost in what are still the core manufacturing sectors of the region, the production of basic and fabricated metals, and machinery (28%), transport equipment (14%) and food products (14%) and the region has shifted from a manufacturing to service economy (See Figure 2). The city of Birmingham has become a noted retail shopping centre and is home to a wholesale market which distributes foodstuffs all over the region and nation, including exotic foodstuffs which are flown into the city via the regional airport.

**Figure 2 West Midlands Manufacturing GVA 1990 - 2008**




Historically, employment in the West Midlands has been dominated by manufacturing, with the major employers in automotive production being Jaguar, Land Rover, JCB and, in the past, Peugeot, and Wedgwood, the china manufacturers, and in foodstuffs, Cadbury. Indeed, in the fourth quarter of 1996 manufacturing accounted for the biggest proportion of workforce jobs in the West Midlands, at 22 per cent of the workforce (575,500 jobs). However, by the fourth quarter of 2010 these figures had changed considerably, with manufacturing only accounting for 11 per cent of workforce jobs (285,500 jobs), a 50% loss in jobs in manufacturing, with notable firms such as MG Rover going out of business and Peugeot closing down operations in the region and moving to Slovakia. But even with an 11 percentage point decline from 1996, the level of manufacturing employment in the region is still among the highest proportions in the UK. The region's employment, in common with national picture, is now concentrated in the service sectors and accounts for 79% of jobs and 50% of regional GVA. Its proximity to London means that Birmingham is not a regional financial capital like Leeds in Yorkshire but nonetheless LloydsTSB Bank (Lloyds was founded locally in 1765) and other banks as well as a number of management consultancy and legal firms have offices in the region which provide producer services to manufacturing firms, as well as jobs for the region's workforce, as does the public sector which accounts for around 630,000 (27%) jobs.

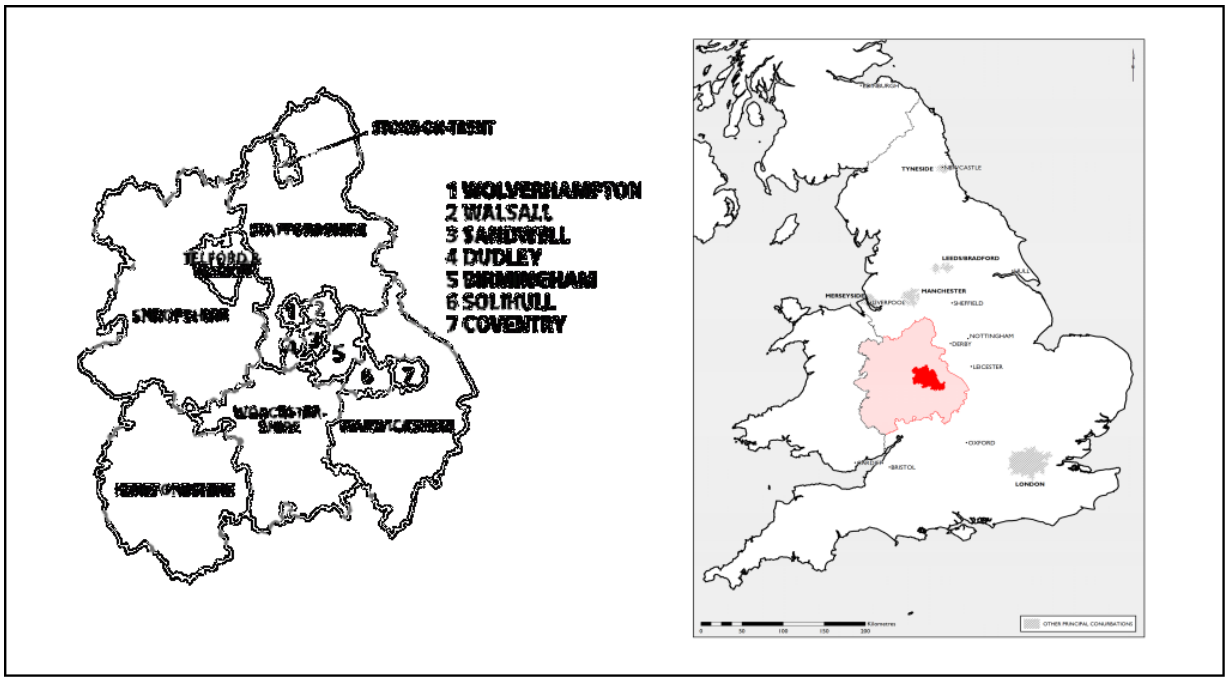
With a population of 5.6million the region accounts for 10.6% of the UK population. The employment rate for people aged from 16 to 64 was 68.0 per cent for the period April to June 2011. While it rose over the previous period it was second lowest in the UK where the employment rate was 70.7 per cent. It has since fallen to 67.5%. Unemployment rates in the region have been volatile, rising and falling and rising again since mid 2009. The West Midlands saw the largest decrease in unemployment over 2010 but it has risen again and at a rate of 9.1%, is higher than the 7.9% in the UK as a whole. Looking at the level of worklessness, whilst recent trends show this is falling, the recovery is fragile. The rise in the number of workless people between 2007 and 2009, nearly 100,000 in total, was almost entirely accounted for by an increase in the number of people who were unemployed (those who were actively looking for and available for work). Planned cuts in public spending announced by the new government will have a significant effect on levels of employment in the public sector in the region. As the West Midlands Regional Observatory found from its Policy Assessment Model, this could lead to a further fall of nearly 50,000 in the number of people in employment in the West Midlands by 2016, with the loss of 80,000 public sector jobs being offset by a gain of around 30,000 in the private sector (WMRO, 2010). However, this does not take account of the potential knock-on effects of spending reductions on the private sector where the public sector purchases goods and services from the private sector which could wipe out some of the gains in that sector.

**The natural economic 'sub-regions' within the Region.**

The West Midlands is made up of a diverse mix of places but the most commonly used functional economic areas in Great Britain are the travel to work areas (TTWAs), based on commuting patterns. Official ONS boundaries identify 17 TTWAs centred in the West Midlands, representing distinct labour markets, ranging in size from nearly 700,000 workers in the Birmingham TTWA to just 16,500 in Ludlow. These are not coterminous with the boundaries of the administrative areas in the region: the counties and the district local authority levels of administration. Within the region there are seven Metropolitan District Councils, three Unitary Authorities, four Shire Counties and 24 District Councils (See Map 1). There is a history of political rivalry between the areas, particularly Birmingham City and other authorities, for example, between the Black Country and Birmingham, Birmingham being seen as dominant in the region.

In functional terms, the West Midlands as a whole, however, is reckoned to be comparatively self-contained (WMRO, 2010). Only a few places have strong links with areas outside its boundaries. The most significant examples are Burton-upon-Trent which has strong links with Derby and southern Derbyshire; North Staffordshire with southern Cheshire; Evesham & South Worcestershire with Cheltenham & North Gloucestershire; and Nuneaton and Rugby with western parts of Leicestershire and Northamptonshire. Other areas close to the regional boundary have links with neighbouring areas outside but these areas have lower populations so the number of people involved is small.

**Map 1 West Midlands: Local Authorities: Counties and Districts**




Whilst these extra-regional links should not be ignored, the more important economic links for the West Midlands are internal ones. The connections are complex and vary according to the types of relationship being considered. Analysis shows that the areas covered by each of the six Local Enterprise Partnerships in the West Midlands approved by the Government (Greater Birmingham and Solihull, Greater Birmingham; the Black Country (Dudley, Sandwell, Walsall, Wolverhampton); Coventry & Warwickshire; Herefordshire, Shropshire and Telford & Wrekin; Staffordshire with Stoke on Trent; and Worcestershire) have relatively self-contained relatively self-contained labour markets, with three-quarters or more of their residents working locally, but each has important links with its neighbours. The West Midlands is a polycentric region with the largest centre being Birmingham. What has been seen is the decline in the Black Country manufacturing sectors and the continued contraction of the automotive complex in Coventry and the south east of the region.

**The Greater Birmingham/ Solihull/Lichfield LEP economy as a separate 'functioning economy'**

The conurbation consisting of Birmingham, Solihull and the Black Country is the second largest in the United Kingdom. However, the Black Country elected to form its own LEP and is based around local authority areas in its boundaries. Self-containment can occur at a less than local authority level than in travel to work areas, but within the Greater Birmingham and Solihull LEP, there is evidence of some self containment in relation to travel to work patterns; Self-containment is at a wider scale than the city. Indeed, Birmingham city draws over a third of its workforce from outside its boundaries, amounting to over 160,000 people commuting into the city each day. Over half of Solihull's working residents commute outside the borough,

predominantly to Birmingham. It also draws workers from Lichfield and Tamworth.

Nonetheless in relation to supply chain relationships, companies in Greater Birmingham and Solihull LEP area have linkages with companies in other parts of the region, the national and European economy. Research (Bryson and Taylor, 2006) has identified that the geography of production in the West Midlands is developing into a polycentric economy which has a distinctive economic geography related to local industrial specialisations. The region is more than just the Conurbation (Birmingham, Black Country and Solihull) and perhaps the correct regional descriptor is a region that contains a major Conurbation, a second conurbation (North Staffordshire) and the City of Coventry each with its own economic linkages and dependant commuters, and other significant though smaller centres of economic activity (for example, Shrewsbury and Telford, Hereford, Rugby, Worcester and Bromsgrove) and adjacent and related areas. This does mean that the Birmingham, Solihull and Lichfield economy in terms of supply relationships extends into the Black Country and Coventry and in that sense is not a separate functioning economy. This makes it all the more important that the LEPs work together to integrate policy agendas on matters that are not indivisible whilst pursuing their own agendas to secure and sustain economic growth in their respective localities.

## POLICIES TO ADDRESS ISSUES IN THE NEW TERRITORIAL GROUPINGS

### The LEP Policy Agenda

The LEPs have been set up by Government, as noted above, as part of its Localism agenda and are “joint local authority-business bodies brought forward by local authorities to promote local economic development”. The LEPs are tasked with formulating a strategy to secure the economic development of their locality. The strategy is to identify what needs to be done to secure private sector led growth and LEPs are to do whatever they see as being necessary to achieve economic development in their locality. Indeed, as noted above, no statutory requirements for the activity of the LEPs have been laid down in the Localism Act 2011. Nonetheless, government has said that LEPs activity could encompass planning, housing, transport and infrastructure, employment, and enterprise and business start ups. In practice, LEPs will not undertake all these functions. In any case LEPs are not an implementation agency; they are strategy formulation body and implementation is the role of other institutions. There is also no national level economic development strategy or spatial plan, which would constitute a strategic framework for the strategy of a LEP. Nonetheless, the government has been setting up a number of development schemes or spending programmes which see funding being allocated to projects in LEPs areas. These are discussed below.

LEPs are to formulate a strategy for their local area which identifies what needs to be done. However, this poses an issue for LEPs as many economic development functions, such as inward investment, SME development, sectors and cluster policy, tourism, and European policy, are not localised;

they have been passed up to the national level. The responsibility for inward investment, sector leadership, innovation, access to finance and business support has been shifted from the regions to 'Whitehall' (central government ministries). The LEPs have no authority or control over these services. Secondly, the LEPs are not planning authorities, this role lies with local authorities.

LEPs also have few funds directly at their disposal. However, the UK Central Government has in recent months been making announcements about a number of financial instruments by which they are making funds available for developments in LEP localities. The funds are not under the control of the LEPs but are generally being administered by national government, either by BIS or DCLG. More importantly, no funds are available to the LEPs for direct business support measures. The £1.4bn Regional Growth Fund, which has been divided into 3 tranches, is available for business investment and is being disbursed directly to companies by BIS, LEPs having no direct role in its disbursement, but at best only an advisory role. This means that projects that a LEP might want to see go ahead might not get funded. Decisions on whom to award RGF to have been made by a Ministerial Committee headed by Lord Heseltine, a former Conservative Minister for Industry, and Sir Ian Wrigglesworth, a Liberal Democrat, Chairman since 2005 of the Port of Tyne in Newcastle. In addition, there is the Growing Places Fund, which is a £500m revolving fund which is to be used in LEP areas to address infrastructure constraints to economic growth and the delivery of jobs and houses. In addition, the government has set up the Business Growth Fund, under its 'Merlin' initiative which, as part of its Quantitative Easing programme, in recapitalising the commercial banks, is intended to make capital available to private sector businesses and, in particular, to small businesses to develop. This has all left a capacity gap in the LEP localities.

In line with this, the Government has also declared 21 Enterprise Zones. EZs are sites where planning as well other regulations are simplified and incentives for development are being offered. This includes a 100% discount on business rates for five years for businesses setting up in the Enterprise Zones and the rollout of superfast broadband in the Zones (DCLG, 2011b). This is not the first time that EZs have been the policy of a Conservative administration; they were introduced in 1981 by Mrs Thatcher, as a means of regenerating run down areas in the UK (Jones, 2006; Shutt, 1984). Similarly, they were sites where barriers to development were removed. This included planning controls but also incentives for developments. Firms moving into EZ were exempt from business rates (local tax).

Information is still emerging about the funding available for development. The government has been exploring new ways of funding projects, and has been looking at US models of financial instruments. TIF (Tax Increment Finance) which enables borrowing against future increases in business rate may be introduced as well as a Community Infrastructure Levy (CIL) both which enable Local Authorities to raise funds on development projects to build infrastructure. The Government is yet to empower Councils to utilise these instruments. These will be channelled through the statutory authorities not LEPs. The only direct funding that LEPs have at their disposal is a Start up Fund and Capacity Fund, the latter which has been made available on a competitive basis to the LEPs to research their local economy.

LEPs also have no direct paid staff, although some LEPs have taken on one or two staff to act as a Secretariat. The important point to note is that the LEPs have no staff to implement the LEP strategy; they have to get the various functional agencies in a locality to deliver it. This includes national level delivery agencies and local level agencies. The latter includes local authorities, which retain the spatial planning function, as well as delivering some of the economic development functions. LEPs by their very constitution have been put in the position of having to *influence* delivery agencies to take the actions that are required to meet the objectives of the strategic plan for the LEP locality.

In practice, many LEPs are being served by the Local Authorities in their localities, the planning or economic development department. This could be problematic in some areas since the capacity of local authority departments has been weakened by public expenditure cutbacks which have led to the shedding of jobs. LEPs however, generally comprise several local authority areas; local authorities may well share the task, or pool resources, in order to service the LEP. This has been thought to work well where local authorities have already worked together; LEPs which are in areas where this has happened are in an advantageous position. The Black Country LEP, which is adjacent to the GBSLEP, is being serviced by the Black Country Consortium, which is made up of several local authorities in that area which have been working together for some time, prior to the setting up of the LEP.

The picture is very much of policies which could be used by LEPs being administered at national level, including the Regional Growth Fund (named after an administrative level that no longer exists) which is being administered at national level with at best which LEPs are being consulted on. Rather the picture is that government is bestowing funds on localities with a LEP to secure private sector development. The same is true of EZs. The LEPs lobby Government for an EZ; the decision lies with Central Government which designates a site as an Enterprise Zone.

If LEPs are to be seen as functioning economic areas and as the spatial units at which strategy and policy is formulated, this is not the entirely the case; they do not correspond. The spatial unit that appears to have has currency is the national level. Within this framework, the LEPs are expected to formulate a strategy to co-ordinate planning, economic development, housing and transport in their areas. To some extent they are *enabled* to do this, but with a fragmented institutional structure at the sub-regional level that is to rely on a duty to co-operate among local authorities and where, given the LEPs do not have an implementation role, they are expected to ensure implementation through *influence* and exhortation. Alongside this the national level through its spending programmes is supporting projects which have to be incorporated into LEP strategies.

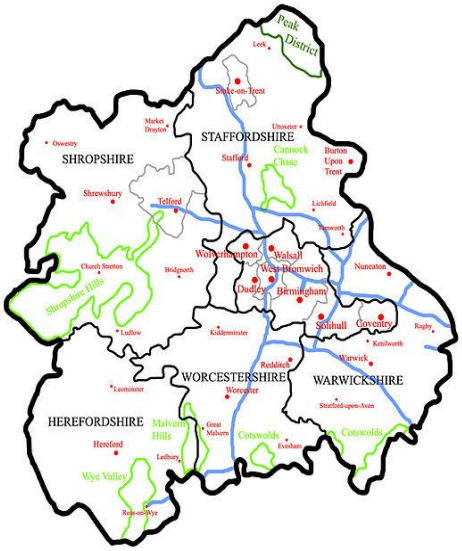
The report turns to look at the experience of the Greater Birmingham and Solihull LEP.

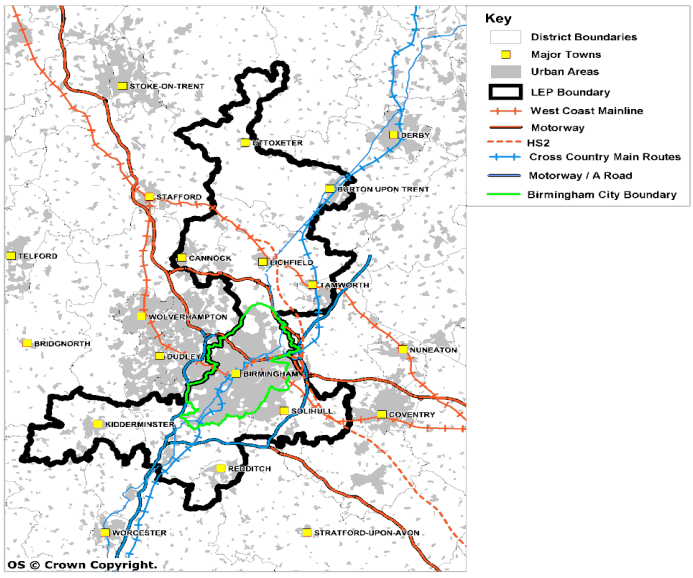
**The Greater Birmingham and Solihull LEP**

The Greater Birmingham and Solihull Birmingham consists of 8 local authority areas: Bromsgrove; Cannock Chase; East Staffordshire; Lichfield; Redditch; Tamworth; Solihull and Wyre Forest (Map 2 shows the West Midlands Region and the Greater Birmingham and Solihull LEP area; it is possible to trace the

contours of the GBSLEP area against the map of the 'old' West Midlands region).

**Map 2 West Midlands Region and Greater Birmingham and Solihull LEP area**




GBSLEP was initially set up with a temporary Board; it has since acquired a permanent board. Members are:

- Andy Street (Chair) – Managing Director of John Lewis Partnership
- Steve Hollis (Deputy Chair) - Midlands Chairman, KPMG
- Rob Brown – Group Managing Director, Roger Bullivant Limited
- Nick Bunker – President of Kraft Foods & Cadbury UK /Ireland
- Brian Francis – Chairman and Managing Director, Gestamp Tallent Auto
- Paul Heaven – Owner - Blue Sky Corporate Finance
- David Kaye – Formerly Managing Director, National Express
- Wade Lyn – Managing Director, Island Delights

- Alan Volkaerts - Operations Director, Jaguar Land Rover
- Professor David Eastwood – Vice Chancellor of the University of Birmingham (Higher Education Representative)
- Christine Braddock - Birmingham Met – (Further Education Representative)

It is being serviced by Birmingham City Council, by both the economic development and spatial planning department. The Board has also established a number of working groups which concern issues such as, for example, skills; these are being serviced by other local authorities in the LEP area.

The strategy of the LEP is emerging; however, it is not yet in published form. Information about the intentions of the LEP was presented at a 'Visioning Event' in February 2012.

The key aims of GBSLEP are to:

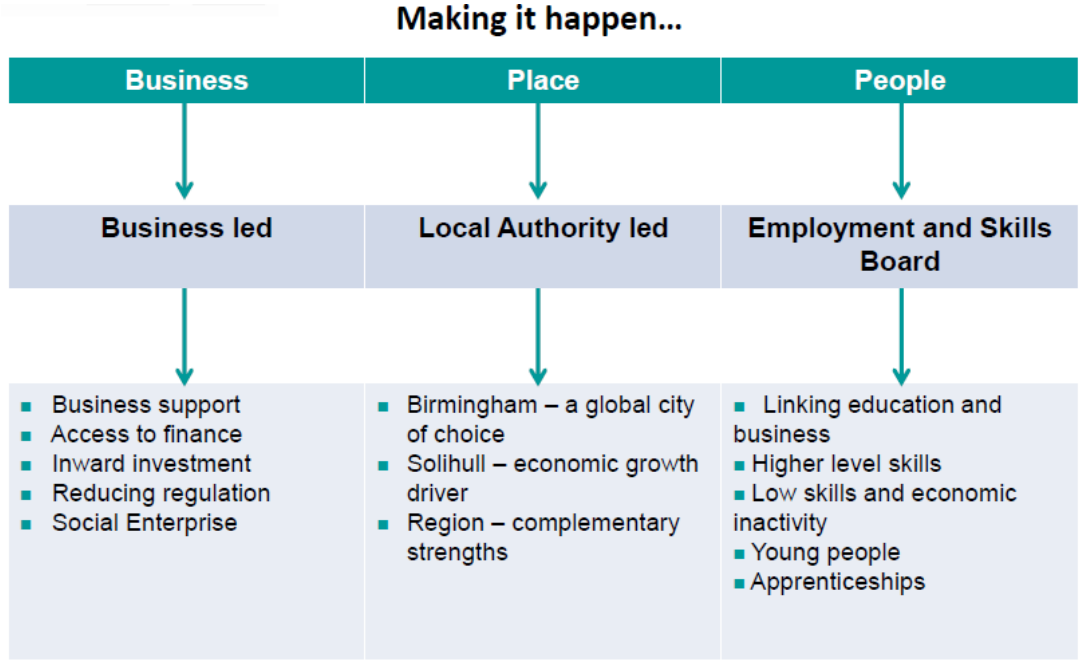
- Increase GVA by more than £8bn by 2020
- Create 100,000 private sector jobs by 2020
- Boost indigenous and inward investment
- Achieve global leadership in key sectors
- Build a world class workforce

In turn, key elements of the emerging strategy are:

- GBSLEP to be a world-class city region
- Built around strategic economic assets and opportunities
- Need to be bold and game changing
- Long-term agenda with short and medium term objectives
- Focus on a small number of key priorities
- Play to strengths of private and public sectors

The LEP Board has proposed a framework for its Growth Strategy based on: Business; People; Place (See figure 3). This figure identifies which group of stakeholders will be responsible for delivery on which activity area in relation to the theme in the Framework.

**Figure 3: The Framework for the Strategy for Growth:**




Early developments in the LEP are that the area has been awarded an Enterprise Zone by Central Government. The benefits to businesses of Enterprise Zones, as noted earlier, are: Business rate relief; Simplified planning; and Superfast broadband. The Enterprise Zone is located in Birmingham city centre and it is expected to result in the location becoming a more attractive shopping area but the Zone will also include professional and financial services, digital media, ICT and creative industries development in the locality. The Enterprise Zone development also involves the redevelopment of the city's mainline railway station, which is a dated 1960s structure, unsuited to modern railway usage. In this connection, the Board gave full support to the construction of 'High Speed Rail 2' (HS2) a £33bn high-speed rail network which was only given the go-ahead by the government in January 2012, despite strong opposition. Phase one of HS2, between London and Birmingham, should be up and running by 2026, and is later being extended to northern England. The LEP Board made representations about the concerns of Lichfield City about the project. The city has also been designated as a 'Creative City'. The LEP has also concluded the development of LEP 'City Deal' with Government. City Deals may pave the way to greater autonomy of Local Authorities in big cities in the UK in respect of expenditure. As noted earlier, the Treasury (HMT) is seen in the UK as being powerful; it has control over public expenditure including expenditure at sub-national level. In line with its neo-liberal agenda, the national government is also keen to reduce regulation and GBSLEP has been working with the Local Better Regulation Office (LBRO, part of BIS) to look at ways to reduce regulation of business activities. GBSLEP has hosted many Ministerial visits; 'having the ear' of Ministers is seen as one of the benefits of LEPs.

Projects in GBSLEP have received government funding, including RGF (see table 1). As noted above, decisions about RGF are made by national government. At best the LEP has had an advisory role in the process; it does

not disburse the RGF, as the funds are in any case going directly to companies. As the table shows, Jaguar Land Rover (JLR) received funding in the first round. Under the first round of the fund, five bids including the one by JLR, were made by companies and partnerships in the West Midlands. The others were Alstom Grid UK, Bosch Thermotechnology, the Prince's Regeneration Trust and Birmingham Chamber of Commerce, on behalf of Birmingham City Council. The latter was for a £15.7m road scheme, to promote economic growth. It is expected that the investment will directly create 6,193 jobs, with 34,669 more posts likely to be created in associated supply chains. A second round bid has been made for £25m for supply chain development in Advanced Engineering industries, in conjunction with adjoining LEPs, including the Black Country LEP. The LEP area was also given a portion of Growing Places Fund, which, as noted above, is a £500m revolving fund for the development of local funds to address infrastructure constraints, promoting economic growth and the delivery of jobs and houses**.** GBSLEP has received £200,000 from the Start Up and Capacity Funds.

**Table 1 Government Funding received or bid for in the GBSLEP Area**

| | |
|---|---|
| Regional Growth Fund (RGF) Round 1 (JLR and A45 improvements) | £85.7m |
| RGF Round 2 – successful bids supported (* includes £5m National Creative England bid, Zytek) | £11.4m* |
| RGF Round 2 – Advanced Engineering Supply Chain Fund, cross-LEP bid (*linked to potential £100m national scheme) | £25m* |
| Growing Places | £15.2m |
| Start-Up and Capacity Fund | £0.2m |
| TOTAL | £137.5m |

GBSLEP has been working cross boundary with other LEPs. It has a strong commitment to work cross-LEP 'where it makes sense to do so'. There are quarterly meetings of LEP Chairs taking place and there is a national network of LEPs.

The GBSLEP has also concerned itself with spatial development of the area. The Visioning Event held in the locality in February 2012 saw the launch of the spatial development framework. This set out the elements shaping the spatial development of the LEP area and the high profile, iconic developments that are proposed to be constructed in the locality.

The report turns to look at the findings from the interviews with stakeholders, decision-makers and others – across the GBSLEP territory.

## SUMMARY OF THE FINDINGS FROM THE INTERVIEWS IN THE GREATER BIRMINGHAM AND SOLIHULL LEP (GBSLEP) AREA

The Economic Development Group at the University of Birmingham Business School conducted some 25 face-to-face semi-structured interviews with stakeholders, decision-makers and others across the GBSLEP territory and in

the wider region through September to October 2011, each interview lasting on average one hour. Interviewees were selected purposively on the basis of their involvement in the early stage design and development of the GBSLEP strategy, and/or their continuing involvement at strategic and/or operational level within the GBSLEP (for information, the interview topic guide is attached in the Annexes).

The purpose of the interview programme was to gather information on:

1. The establishment of the GBSLEP in *composition* – the membership of the partnership, and its territorial scope – the considerations guiding the choices that have been made;
2. The establishment of the *organisational arrangements* – its internal structure, its relationship (horizontally) to other LEPs, and (vertically) to 'higher' and 'lower' agencies;
3. The *strategic focus* – the substantive scope (economic, spatial, social, etc) and style of the strategy (active, counter-active, planned, opportunist) and the focus of its priorities (e.g. as between small firm development, large firm inward investment);
4. The *implementation levers* being used or considered by GBSLEP in pursuit of its objectives; and
5. The *future aspirations* and trajectory and possible constraints upon these.

A summary of the key observations and insights obtained from the survey of GBSLEP partners and stakeholders is set out below. For ease of access, the summary is organised according to the interview topic guide headings.

**Composition**

The original interim GBSLEP main board comprised 17 members in total 8 of whom were drawn from business and industry, 7 were Local Authority Leaders and one representative from the further education/higher education sector. As noted above a permanent Board was subsequently set up. Respondents felt that the process of recruiting to the new Board had been open and transparent. Some individuals were invited to join (Local Authority Leaders) whilst others had responded to adverts in the local press. The Chair of the Board is from the private sector (a major retail sector business). Business board members were recruited through a competitive procedure. There were some 85 applicants for these positions; although only 8 of these were women.

It was felt that the Board membership provides a good geographical spread although it was generally acknowledged that the performance of the 'core' Birmingham economy was the key driver for the extended GBSLEP territory. Some questions were raised around the extent of business sector diversity and the size range of businesses represented. One key question was: are the interests of small business adequately represented? Overall respondents felt that the GBSLEP Board also has a good spread of people with the relevant skills, business experience and contacts/networks and that this diversity across public and private sector experience will help shape the LEP strategy for the current economic conditions. It was felt that the private sector partners were injecting a sense of 'economic realism' into the GBSLEP discussions. Some respondents questioned the conceptual dominance of 'enterprise' at the

heart of the LEP 'project' and whether this accommodated or related to the complexities of sustainable territorial growth that rely on other dimensions of public policy (housing, education, skills and so on).
In terms of the composition of the Board, one issue raised concerned the number of women included. It seems that not enough women, and not enough with appropriate experience, had applied for Board positions. The Voluntary and Community sector (VCS) does not have a seat on the Board either. This was seen as an issue since the VCS contributes to wealth creation in the area. As far as other possible 'problematics' going forward were concerned, respondents raised two other issues; firstly, to what extent might tensions arise between the different public and private sector interests where joint working was concerned; and secondly, whether the Local Authority representatives would be able to pool their 'sovereignty' on a non-prejudicial basis over an extended timescale. However, through this early stage of development of the GBSLEP project, respondents generally felt that a good spirit of cooperation had been established by the Board's leadership.
On the question of the geography of the GBSLEP there was less certainty. For some respondents it had clearly been a political compromise. On the positive side it is apparent that much of the LEP area maps quite well with the travel to work patterns around Birmingham. Also the GBSLEP represents about 40% of the old WM GVA, so respondents feel that it is substantial in its own right as a "functioning economic geography".

**Organisational Arrangements**

Whilst the GBSLEP is private sector led, the day-to-day underpinning organisational support is provided – and mediated - by the local authority sector partners. The GBSLEP Secretariat is housed in the Development Directorate at Birmingham City Council, with local authority partners (in particular Birmingham) providing the human resource capacity around policy and strategy work. The local University sector has provided conceptual inputs into the continuing work to develop the GBSLEP economic strategy. And whilst at the time of writing the Board membership had been established, there are ongoing discussions concerning the range and type of sub-committees/technical working groups that will work to the Board, as well as their precise membership(s) and remit(s). A 'portfolio' approach to task management has been adopted by Board members in the interim, with particular responsibilities for economic strategy, skills, finance and social enterprise allocated to different Board members. However (in October 2011) there still remain 'echoes' of a number of initiatives established and/or supported originally by the former Regional Development Agency (AWM) industry cluster groups, Science City and so on and in this sense the GBSLEP is not operating in uncluttered territory. It may take some little time yet for all of the new organisational arrangements to be decided upon and to settle. In particular, there is the question of how best to address sub-regional innovation and skills agendas and how the GBSLEP might accommodate these, if at all; all of this is under consideration. In regard to the extent of intra-regional/cross-boundary working in the West Midlands between LEPs, again these were considered to be early days. Respondents mentioned that there were informal ongoing discussions around planning and economic strategy matters, in particular transport, but these are yet to be formalised. There is

some sense of a degree of ‘unspoken’ competition between the LEPs in the West Midlands for the available governmental resources for LEP related projects and initiatives, in particular from the Regional Growth Fund.
It was regretted by some respondents that the neighbouring Black Country LEP was a separate entity, since there were important intra-regional trading relationships between the areas. And whilst the West Midlands LEPs were developing their economic strategies largely in isolation, there was, however, a general willingness across respondents to work with other neighbouring LEPs going forward.

**Strategic Focus**

There have been very broad discussions and agreement to date on economic strategy (as noted above, the GBSLEP “Strategy for Growth”, which was informed in part by some early conceptual inputs from the local University sector in regard to the “functioning economic geography” of the GBSLEP territory. The early GBSLEP priorities, as noted above, are being organised around three strategic ‘pillars” of Place (to cover civic-led place-based regeneration and development activities); People (concerned with employment and skills and business-led); and Business (a business-led and concerned with business support; access to finance for firms; and inward investment).
Respondents felt that Birmingham had to be the core of the focus for the economic strategy. The restoration of a sustained economic growth in the city had to be secured over the medium term and this would spill-over into the surrounding/outlying GBSLEP territories. This was also accepted by the Board. Local travel-to-work patterns (the functioning economic geography of the GBSLEP) confirm that the success of the other local authority areas would depend upon the success of Birmingham. Hence all respondents had accepted the idea of the new government approved Enterprise Zone being based in central Birmingham. It was felt widely that this ‘flag ship’ initiative offered the greatest potential to both improve the image of the area and would also draw in new economic activity.
Regarding the other possible areas of GBSLEP activity, discussions are ongoing. Whilst some respondents were concerned to avoid “policy creep”, as happened in respect of the RDAs, and the subsequent risk of a dilution of effort, others felt that the LEP must be concerned with and/or at least take a view on other aspects of strategy beyond the ‘pure’ economic; i.e., across spatial planning, urban regeneration, skills and transport. A continued focus on major infrastructure was seen as vital. Hence, some respondents talked of the need for the GBSLEP to provide strategic support for the High Speed (Rail) 2 project linking London with central Birmingham and beyond.
Improving and aligning skills for business and industry was seen as vital. One of the portfolios is employment and skills, this work being led by the Board members drawn from Jaguar Land Rover (JLR) and ThyssenKrupp automotive. A further issue that was raised related to whether the GBSLEP has sufficient levers to have any significant (direct) impact on the provision of skills given that Further Education Colleges are not represented on the Board. The key strategic concern here was: how can the GBSLEP bring post-16 education/training provision and local businesses closer together? At the time of writing a strategic GBSLEP-wide employment and skills board is to be

established (it has since the interviews were carried out) and with 4 local sub-boards to be established to oversee local ‘delivery’ of the employment and skills agenda.

There was a sense also that the social implications and opportunities afforded by investment in innovation must be taken into account and made something of for local people. Manufacturing was important for job creation but it was felt that skills were also likely to become a strategic GBSLEP priority (as noted above, this made difficult by the levers being in the hands of BIS and the SFA (Skills Funding Agency)).

### Implementation Levers

Generally across respondents, the view was that the main GBSLEP 'lever', as discussed in the analysis above in an earlier section, is *influence* rather than about the disbursement of *direct new investment* per se. Partners seem to accept that in the current fiscal climate the GBSLEP will not have significant public resources to disburse. This is notwithstanding any income derived from the tax returns secured from the Enterprise Zone in central Birmingham although the latter also assumes an acceptable cross-GBSLEP agreement on the pro rata share out of income derived from this source. Some outlying local authorities felt that the early 'gentleman's agreement' around a non-prejudicial sharing of a percentage of the Birmingham Enterprise Zone tax returns across the GBSLEP territory would be critical to the long term (political) sustainability of the GBSLEP. Moreover, without the 'carrot' of its own public funding, how the GBSLEP would secure any significant strategic influence over the multitude of other agencies working in neighbouring policy silos was not clear. Respondents felt that much of the strategic influence of the GBSLEP would emerge from, and depend upon, personal networks/leverage and general local good will.

### Future Aspirations

Whilst wider social dimensions (for example, around "Big Society" agendas and so on) and the environmental dimensions (for example, around climate change and low carbon futures) of development are recognised by respondents, the GBSLEP is heavily focused on improving the performance of the local economy. The underpinning aspiration is for the GBSLEP to drive the development of a 'world class' greater Birmingham city-region economy and for enterprise-driven wealth creation to be at the heart of this approach. The GBSLEP approach appears to be conceived around the power of 'influence' and 'facilitation' around the growth agenda. There was some anxiety that private sector partners would lose interest in the 'project' if business and investment 'wins' were not forthcoming over the short to medium term. The 'ideal' aspiration is to improve the GBSLEP economy "for all", not to solely focus it on (say) the knowledge economy agenda. This will mean addressing other growth aspirations across more 'conventional' sectors such as retail, the construction industry, the local SME base and so on. "Keeping everyone on board" may mean improvements in the communications policy of the GBSLEP also going forward.

## REFLECTIONS ON THE CASE OF GBSLEP IN RELATION TO THE AIMS OF THE RISE PROJECT

The case study of the GBSLEP in relation to the aims of the RISE project has, on reflection, been useful since it has provided the opportunity to observe a transformational process that is taking place; namely, the on-going reform of institutional structures and the extent to which territorial integrative strategic planning is taking place within the new structures. This section assesses the GBSLEP in relation to the elements contributing to integrative strategic planning: policy integration; policy transfer; forms of governance and issues of

meta-governance; and the extent of collaboration. This section uses text from the findings of the literature review and other sources to shape the analysis that follows.

**Policy Integration**

Policy integration refers to the process of sewing together and coordinating policies, both over (horizontally) and across (vertically) levels of governance, modifying them appropriately if necessary, to create an interlocking, hierarchical, loosely-coupled, multi-level, policy system that functions harmoniously in unity. The literature distinguishes:

- *Sectoral integration and two sub-forms*: cross-sectoral integration and inter-agency integration;
- *Territorial integration*: this includes vertical integration (policy coherence across spatial scales) and horizontal integration (policy coherence between neighbouring authorities such as nations, states, regions and areas with some shared interest); and
- *Organisational integration*: This involves co-operation between parties in the form of organisational integration. This includes: strategic integration (the alignment of linked strategies, programmes and initiatives); and operational integration (the alignment of related delivery mechanisms), including a coupling between (strategic) spatial visions, objectives and spatial concepts and operational decision making (including concrete investment on the ground).

It can be suggested, in relation to the type of policy integration taking place in GBSLEP, looking firstly at sectoral integration, if this is about the 'joining up' of different public policy domains and their associated actors *within* a given territorial area there is the intention to do this within the LEP locality. GBSLEP does appear to have identified the policy implementation agencies to ensure integration between public, private and voluntary sector agencies. However, the domains over which policy integration is beginning to take place is limited: economic development and spatial planning, the latter only just beginning to take place, because the relationship between economic activities and place has been recognised. Housing, environmental sustainability, urban regeneration, social exclusion, skills and transport and major infrastructure however are not among the policy domains of the LEP and thus cross-sectoral integration is limited. The situation is changing; the Department for Transport published a consultation paper in at the end of January 2012 about devolving funding for local major transport schemes to either LEPs or Local Authorities. Transport is a concern of GBSLEP and neighbouring LEPs and there is a stated intention to cooperate cross-sectorally on this issue and in relation to other agendas i.e. economic growth and development.

The burgeoning collaboration over transport matters between the LEPs means that there is some evidence of horizontal territorial and organisational integration, in so far as GBSLEP is working with neighbouring LEPs. However, vertical integration is not apparent. The national government, in awarding funds to localities and businesses, makes it appear that it is bestowing localities with funds, this arguably amounting to a form of beneficence. Projects that are supported might not always tie in with the strategic priorities of the LEP localities. Conversely, projects that the LEP

would like to see funded might not be awarded funding. Policy coherence may obtain at LEP and local authority level but not necessarily between national and local level. This is unlike under the situation under the previous Labour Government. Gordon Brown, when Chancellor of the Exchequer, instituted a system of targets, Public Service Agreements and strategic planning, which represented an attempt to secure policy coherence across different spatial scales (Bentley, 2006). At best, in the case of the current situation, it is possible to identify, the emergence of operational integration (the alignment of related delivery mechanisms), including a coupling between (strategic) spatial visions, objectives and spatial concepts and, secondly, operational decision making (including concrete investment on the ground) in so far this will take place when developing major sites in the GBSLEP area. The position of LEPs, and given that there is no statutory function for the LEPs, and that they are not implementation agencies, means that they can only *influence* rather than control the planning process. How the balance of fragmentation and integration through influence and cooperation develops will be interesting to observe.

On the basis of the distinctions above, answers to following operational questions can be given:

1. Can the plan (document) or strategy be positioned in terms of sectoral, territorial and organizational integration and is it possible to specify which types of these three categories are appropriate? – GBSLEP does not as yet have a written strategy. This does not imply that GBSLEP is adopting a 'learning' approach rather than a 'planning' approach to territorial integrative strategic planning. Although the situation for the GBSLEP is still developing, it can be characterised as limited sectoral integration; territorial integration within the LEP area and between neighbouring LEPs but not vertically; the national level is operating, it appears in a non strategic way and it does not appear that its priorities are taking account of individual LEPs' priorities (other than the broad objective of supporting private sector-led growth).

2. Are there other plans/strategies/processes directed towards policy integration and for what reasons does the selected plan/strategy stand out? – No.

3. Is the plan or strategy meant to bridge the gap between strategic choices and operational choices and in what way? – It can be argued that certain policy actors would like to see the strategy bridge a gap between strategic choices and the operational choices; in other words take a 'planning approach'. It may be that some would like to adopt a 'learning' approach, where the strategy evolves as events unfold and actions taken. However it may be that the integration takes place rather at the operational level where territorial, sectoral and organisation integration can be more easily secured.

The GBSLEP may represent an attempt at collaboration within the LEP territory to secure policy coherence, across a limited number of sectors (given its remit), but cooperation at other vertical territorial levels, this given the contradictory role played by central government in this process. At the same

time that government could be seen as an *enabler*, enabling the LEP to take what action it likes, since the LEP is not statutorily bound, government is putting funds into the LEP locality according to its own agenda; which might not accord with the priorities of the LEP Moreover, the decision over the use of the funds are in the hands of central government, not the LEP.

**Policy Transfer**

Policy transfer between localities is exceedingly problematic because of the different contextual factors (e.g. planning cultures; planning systems) (Dolowitz & Marsh, 2000). Dolowitz and Marsh (1996) suggest there are seven policy subjects of transfer: policy goals; structure and content; policy instruments of administrative techniques; institutions; ideology; ideas, attitudes and concepts; and negative lessons. The RISE localities certainly represent different politico-administrative systems. A comparison of planning practices within the EU points to the existence of four families based on legal and administrative indicators:

a) a British (UK),
b) a Napoleonic (e.g. Netherlands),
c) a Germanic and
d) a Nordic one

However, as the literature review document points out, localities can display elements of different types, for example, the Netherlands has a Napoleonic formal planning institution but a Nordic cultural value which stresses decentralisation and democratisation (Loughlin, 1999). With the emergence of the LEPs in the UK, where rules are not set down in legislation for the activities of the LEPs, and spatial planning controls are all but abandoned in the presumption of sustainable development, it seems a rather anarchic 'free for all' rather than strategic approach is being adopted. Nonetheless, the neo-liberal free market agenda of the UK government does not mean a 'free for all' approach. There will still be spatial plans to guide development control and the LEPs are formulating strategies to plan and guide economic development.
The questions arise of what are the important barriers for cross-national and cross-regional learning and which factors determine the transferability of policies, tools, instruments and so on? RISE is ultimately about the (possibilities for) cross-national policy transfer. What can each of the four localities learn from each other and what can go forward as general practice for territorial integrative strategic planning. There are two interlinked issues when it comes to such policy transfer: What could be the object of policy transfer or – phrased differently – what are potential candidate tools for the toolkit? What are the critical contextual elements influencing the nature of these tools?
It might seem that the UK can provide examples of what not to do, in particular with respect to central-local relations in relation to territorial integrative strategic planning, it appearing that there is a disjunction between strategic objectives at national and local levels. The point referred to above is that the Government is announcing decisions over grant funding for projects in LEP areas that may have little or no relation to the strategic objectives of the LEP. Moreover, the LEPs do not by and large have a say in how funds are allocated. Furthermore, in a time of budget constraints, there are not enough

funds available for investment in a project or programme that a LEP locality would like to see go ahead.

There is one dimension of this question that needs attention. A critical realist approach would consider the outcomes of policy integration in relation to territorial integrative strategic planning. The point is that there is a need to know what successful territorial integrative strategic planning looks like and to look at the conditions that produce it. Realist evaluation is based on a theory of change (Sullivan and Stewart, 2006) and makes a distinctive account of the nature of programmes and how they work, of what is involved in explaining and understanding programmes, of the research methods that are needed to understand the workings of programmes, and of the proper products of evaluation research. “The basic question asked, and hopefully answered, is multi-faceted. Realist evaluations asks not, ‘What works?’ or, ‘Does this program work?’ but asks instead, ‘What works for whom in what circumstances and in what respects, and how?’”(Pawson and Tilley, 2004). Nonetheless, in arriving at a toolkit for integrative approaches, it is possible to see if it works in producing policy coherence over and across levels of governance, and creates a policy system that functions harmoniously in unity. It is difficult to argue that this is the case in the UK. However, as noted in the previous section, policy integration and collaboration may be beginning to take place in GBSLEP at the operational level where territorial, sectoral and organisation integration is more easily secured. As the results interviews indicated, collaboration is also beginning to take place and within the LEP, an attempt is being made to secure policy coherence at a cross-sectoral and cross-territorial level.

**Forms of governance and issues of meta-governance**

Governance means decision making power is spread over a range of stakeholders. As Sørensen (2006, p. 99) suggests, it is a complex governing process in which a multitude of public and private actors interact to govern society. In the case of GBSLEP, it is clear that *within* the LEP and in relation to its jurisdictions, it would appear to be the case that governance characterises the decision making process given the range of policy actors involved. However, in relation to what is to happen in the LEP locality, in particular on the funding of certain projects, this is characterised by a process of Government; decisions on the whole are made by central government.

In respect of whether the quality of the decision making process on the LEP integrative strategy meets the principles of good governance is an issue. Good governance is characterised by participation, openness, accountability, effectiveness and coherence, and on these counts, the LEP could be said to be found wanting. LEPs are not democratically accountable and, as interviews with stakeholders revealed, decision making is not open. Issues about the coherence of policy from centre to local government were raised above in an earlier section of the report. It must be said however that the LEP has a mandate from Government to ‘proceed until apprehended’; LEPs are said to provide the opportunity to do things differently. Thus on one level, it can be argued, vertical policy coherence is not an issue or goal for LEPs; LEPs (and central government) can and can do anything they want in order to secure private sector led growth.

The space covered by the *regional* (note that the LEP area can be termed a region) integrative strategy, in the case of the Greater Birmingham and Solihull LEP can be considered both a hard and a soft space. Although the LEP, as the foregoing has suggested, can be seen to represent a 'Soft space', as it can be recognised as constituting a spatio-temporal fix (place) where associational (governance) networks, which break away from the rigidities associated with the formal scales and which have fuzzy boundaries operate (Allmendinger & Haughton, 2009) , it also displays elements of a hard space. Many stakeholders are involved in the GBSLEP, including networks of non-governmental actors – business people – making it a soft space. A hard space is defined as rigidly demarcated administrative territories or jurisdictions legally controlled by a government body. LEPs, as noted already, have the 'negative' freedom (defined as an absence of restraint) to do what they want, the boundaries are fixed and, while not legally controlled by Government, government has considerable control over what happens in the LEP area. This is not only because the government is making decisions about what funds go to the LEP locality and to which firms in the area, it is because many of the levers of economic development lie with central government. The GBSLEP does not have a full positive freedom (a freedom to do) in the sense as defined by Isaiah Berlin (1969; cited by Bailey and de Ruyter, 2007).

The GBSLEP displays characteristics of multi-level governance Type II. The LEP Board which has responsibility for the Territorial Strategic Plan (in UK terms, the Planning and Economic Development Strategy) consists of a public-private partnership. Given the numbers of agendas the LEP oversees, it can be considered at the strategic level as a Multi-level governance Type II system where governance is a complex, fluid, patchwork of innumerable, overlapping jurisdictions centred around particular tasks or policy problems. It is not solely run by governmental bodies. Bodies at different levels of are involved. Different sectoral government departments are involved in policy implementation such as BIS, DCLG, and the Department of Work and Pensions (DWP is responsible for dealing with employment matters as well as worklessness and unemployment benefits), and the Department of Education, as are non-governmental, societal and/or private actors. National and local levels of government as well as non-departmental public bodies are involved in delivery of the emerging strategy of the GBSLEP.

The notion of governance, however, has been superseded by the concept of governance networks, defined as follows:

> "A stable articulation of mutually dependent, but operationally autonomous actors from state, market and civic society, who interact through conflict-ridden negotiations that take place within an institutionalised framework of rules, norms, shared knowledge and social imaginaries; and contribute to the production of 'public value' in a broad sense of problem definitions, vision, ideas, plans and concrete regulations that are deemed relevant to broad sections of the population."

Sørensen & Torfing (2009: p 236).

The effectiveness of governance networks can be measured in terms of their capacity to: Produce clear and well-informed understanding of the often complex and cross-cutting policy problems and policy opportunities at hand; Generate innovative, proactive and yet feasible policy options that match the

joint perception of the problems and challenges facing the network actors; Reach joint policy decisions that go beyond the least common denominator while avoiding excessive costs and unwarranted cost shifting; Ensure relatively smooth policy implementation based on a continuous coordination and a high degree of legitimacy and programme responsibility among all relevant and affected actors, including target groups, client advocacy groups, stakeholder organisations, public administrators and politicians; Provide flexible adjustment of policy solutions and public services in the face of changing demands, conditions and preferences; and Create favourable conditions for future cooperation through cognitive, strategic and institutional learning that construct common frameworks, spur the development of interdependency and build mutual trust (Sørensen and Torfing, 2009).

It is difficult to assess GBSLEP in relation to the characteristics of networked governance; it has not been operational for that long. But it can be said, as noted above, that the LEP comprises private and public sector stakeholders and a representative from the Higher Education sector. The interviews with stakeholders found that it was thought that these actors were not sufficient in terms of deciding and implementing the issues addressed by the strategy; it was thought that the small business sector is underrepresented on the Board, as well as women, and the Voluntary and Community Sector is not represented. There is also a separation of strategy formulation and implementation, the LEP is not a delivery body; implementation is dependent on the LEP *influencing* and persuading implementation agencies to agree to deliver on the Plan.

Meta-governance is seen as the 'governance of governance', or the 'regulation of self-regulation' (Jessop, 2004). The purpose of meta-governance is to create some form of coordination, coherence and integration in the fragmented structures of network governance without completely undermining the autonomy, engagement and self-regulation in governance networks (Sørensen, 2006). The latter is not the case in the UK. This case study report has already indicated that the national government spending programmes may cut across the strategic priorities of LEPs. The autonomy of the LEPs is delimited. As Bentley et al (2010) points out, if autonomy is measured in terms of *freedom from* central interference (a form of 'negative' freedom, in the language of Isaiah Berlin (Bailey and de Ruyter, 2007)) and as *freedom to* effect particular outcomes (a form of 'positive' freedom), the LEP does not have autonomy. Policy making takes place under the shadow of hierarchy. LEPs can do what they want; however, they can only do what they want up to the point at which what they do does not interfere with the activities of other agencies. The Localism Act specifies a General Power of Competence, which means local authorities are now freed to do anything – provided they do not break other laws (DCLG, 2011). Moreover, as also pointed out, in terms of positive freedom the LEPs, in not having any powers, any money or resources, does not have the freedom to effect outcomes; it has to rely on its power of influence to secure action. So, although the Coalition Government promotes the idea of Localism, it is a conditioned localism (Conservative Party, 2009; Bentley et al, 2010).

Nonetheless, it must be pointed out that the Coalition Government has abandoned the 'target setting' of the previous Labour Government; the LEP process of *regional* integrative strategy making is not embedded in a wider

organizational setting which imposes deadlines, procedures, guidance or other influencing conditions on the network governance process. Instruments such as contracts, result management, management by (political) objectives, and financial frameworks (see Sehested, 2009) are not used during the strategy making process. The overriding political/ideological objective embodied in the LEP is to foster growth in the private sector by a coalition of interest in a locality and using new instruments and mechanisms to do so. It must be said also that the formation of LEPs can be seen as pushing local authorities out of their prior position as prime agency which would secure integrative strategic planning. Capacity in Local authorities has been weakened by public expenditure cuts. The duty to cooperate in the Localism Act 2011 would seem to also point to the possibility of rationalisation of local authorities. It would make sense in cost saving terms to consolidate services in fewer units of local government.

**Collaborative planning, legitimisation and partnership**

The literature review indicates that planning can no longer be considered an instrumental exercise for those holding the political and economic (hegemonic) power only (see Arnstein, 1969; Booher & Innes, 2002; Healey, 2003). Other actors, interests and structures need to be to be included in communicative processes through collaborative or participative planning. This suggests that all important interests must be represented at the table; they ought to be equally informed and have the same capacity to act on behalf of their organisations. Therefore, all must be equally empowered in discussions. Once empowered, the power of the argument is the important dynamic and consensus should be sought. In comparison with other forms of participatory policy making, partnerships are thought to combine focus on a broadly defined issue with participation by multiple levels of government for an indefinite duration of time.

The GBSLEP is a public-private partnership which is intended to be in place throughout the complete policy cycle of problem definition, policy adoption, implementation and assessment. In answer to the question posed on what stakeholder networks (members, relationships, configuration) were involved in the making and implementation of the strategy, it is understood that the Board has convened an operational group where matters are being discussed but it is not clear whether further groups are to be set up to focus on specific issues. The partner model is also a case where all actors can participate on a risk sharing basis. MacKintosh (1992) writes about partnership modes of working as enabling synergy, transformation and, budget enlargement. Given that the LEP has limited funds, it has been suggested that the private sector could contribute to a fund for development in LEP localities and that it could come to the table with a budget as other policy actors do and thereby ensure budget enlargement for the LEP. However, it remains to be seen whether this will happen.

Legitimisation of the LEP activity has possibly been achieved through involvement of the partners in the process of formulating the strategy. Boelens (2010) suggests the way to achieve this is the actor-relational approach which involves as a first step the identification of the primary problem or stakeholders and an analysis of the unique core features of a region, an issue or an entity. This step can be seen as the most important one, as practical

planning issues are still often formulated without clear focal (f)actors with respect to the business and civic society. It helps create a situation where partners identify common problems and can work towards developing solutions. GBSLEP has received funding to enable research on the understanding of the problems facing the LEP area. The analysis of problems and issues of the GBSLEP were presented to a broad audience of stakeholders in the *region* at the Visioning Event held in the locality in February 2012 to generate discussion of the issues.

In relation to public participation, Arnstein's (1969) ladder of participation is useful. It is clearly normative since citizen participation and high levels of citizen power are a desired as a means of community empowerment; this is also part of the Coalition Government's Localism and 'Big Society' agenda. It can be suggested tokenism characterises the GBSLEP approach to public participation. This would include Information provision and consultation. Under these conditions citizens lack the power to assure that their views will be heeded by the powerful – no assurance of changing the status quo. The GBSLEP strategy is mainly concerned with economic development – the territory of business not the general public. However, the Conservative Party (2009) promised prior to the General Election that citizens would have a greater say in spatial planning policy and planning decisions.

The report turns to took at the findings from the focus Group discussion with stakeholders about territorial integrative strategic planning and the proposed toolkit.

## FINDINGS OF A FOCUS GROUP DISCUSSION WITH GBSLEP STAKEHOLDERS

The focus group discussion was held at the University of Birmingham. It was attended by senior representative of local agencies and enterprises with a stake in the GBSLEP. The intention was to obtain feedback from participants on the draft Case Study Report and their opinion on the extent of territorial integrative strategic planning that is to be found in the working of the LEP and on the proposed toolkit for achieving territorial integrative strategic planning.

### The extent of Territorial integrative strategic planning in GBSLEP

In the discussion, the general view was expressed that the draft case study report, which had been circulated earlier was not sufficiently critical of the local enterprise partnership, of its design and capacities. It can be pointed out that the draft report was written before a full critical analysis of the role of GBSLEP was possible. A number of papers have appeared over the last year that have made a critical assessment of the LEPs in general; concerns have been expressed about whether they will be successful (Bolton et al, 2011, Shutt et al, 2012) One of the participants made the point that the nature and role of the LEPs has still not become clear yet, and that it is still evolving incrementally rather than being established according to a thought-through pre-existing plan. It was pointed out from several participants that the LEPs are not, and cannot be, replacements for the RDAs (regional development agencies) whose abolition accompanied the creation of the LEPs. That the abolition of RDAs and the establishment of the LEPs were not thought through was illustrated by the fact that abolition of the RDAs meant that the

government did not have a vehicle through which to allocate EU structural fund budgets. (As was pointed out above, this problem has been resolved as regional teams have been retained, under the purview of DCLG to manage structural fund programmes).

The lack of cross sectoral and territorial policy integration was identified by participants. It was said that the LEPS have different and incommensurate geographies to those being adopted in other arms of the UK government's policies, such as the Core Cities initiative or the Rural and Farming Network, which are two of the many initiatives coming out of central government. The Core City in the West Midlands is defined to include Birmingham and the Black Country boroughs within one territory, but they are constituted as two different LEPs. The lack of cross sectoral policy integration was illustrated by a point about transport issues. The Government wants to allocate transport expenditure to the LEPs, but this cannot work because transport issues arise at a higher – regional – geographical scale than the LEP areas. The point was also made that the national Government wants to reorganise regional statistics on the basis of the LEPs, and this is made difficult by the fact that some local authorities are in several LEPs, and that the LEPS are not mutually exclusive. The designation of LEPs as functioning economic geographies is problematic as are the competences of the LEPs

The policy domains that LEPs are concerned with is also an issue which affects the extent of territorial integrative strategic planning that is possible in LEPs. In the West Midlands economic development plans require another 250,000 houses to be built. But since the abolition of the RDAs there is no agency in a position to designate areas for housing development, another function it was argued that must be performed at the regional level. The identification of sites for new housing is also a politically controversial issue, giving rise to political campaigns from existing home owners keen to defend their surrounding landscapes. LEPs are too small geographically to undertake this function, and their private-sector leaderships are not willing, equipped or mandated electorally to take-on such a 'hot potato'.

Economic development policy also overlaps crucially with urban regeneration policy, and Birmingham City Council has for years been pursuing an urban regeneration strategy that includes an emphasis upon urban living, and drawing the population back into the city centre. Neither urban regeneration nor social exclusion is on the agenda of the GBSLEP nor is it listed by national government as a policy competence of the LEPs. The permissive approach of government however would not preclude a LEP taking the issues on.

The group also made the point that the climate change is an issue that requires including in an integrated approach. It is not on the agenda of the LEP. This raised an issue about leadership in the LEP partnership and that is not equipped to handle policies to address climate change or to handle environmental issues more generally (such as the defence of the Green Belt around the City) which are often controversial and require a political mandate to be addressed. Faced with a choice the GBSLEP will prioritise economic growth even if this involves building in the Green Belt, but the latter action will plunge them into deep political controversy which (as non-politicians) they are not really positioned to handle.

Overall, the point was made that it is impossible to promote local economic development without planning for housing development, urban regeneration, and environmental change. Cross sectoral working over a range of policy areas is necessary to ensure integrative planning, to create an interlocking, hierarchical, loosely-coupled, multi-level, policy system that functions harmoniously in unity.

Governance means decision making power is spread over a range of stakeholders. As Sørensen (2006, p. 99) suggests, it is a complex governing process in which a multitude of public and private actors interact to govern society. In the case of GBSLEP, it is clear that *within* the LEP and in relation to its jurisdictions, it would appear to be the case that multi-level governance characterises the decision making process given the range of policy actors involved. However, there are issues about organisation integration and that the LEP works by *influence*. Participants also raised the issue of the extent of co-operation and collaboration and the ability of the GBSLEP to operate on behalf of its territory as a whole, rather than the sectional interests of its member authorities, and that it has yet to be established, and will take several years of trust and institution-building. GBSLEP has recently been in receipt of money for skills training, but responsibility for spending this has been delegated by the GBSLEP to one of its member authorities, which is implementing the skills policy in a manner that accords particularly with its own interests. Mechanisms do not as yet exist for focusing upon the whole of the LEP area, and for officers to advise the Board on the different interests that need to be taken into account. In addition, there is a problem with the reliance of the LEPs upon private sector leadership. Some concerns have been expressed about whether the lack of resources, money and power will cause the private sector members to walk away.

A final point was made in relation to the general thrust of national government policy. Although the UK government believes that economic development is being held back by a restrictive town planning regime, it was argued that this is incorrect. A bank of sites approved for development has been built up over recent years, much of it in the 'crescent towns' surrounding Birmingham, but development itself is being held back by the ongoing financial situation; banks in the UK are not lending. When credit begins to flow, much development that has been stalled will go ahead. However it was argued that the leaders of the GBSLEP are not steeped in these policy issues, and will not necessarily understand the context, and may not regard urban regeneration as a priority.

Several key components of any imaginable integrated regional development strategy are thereby excluded structurally from the scope of the LEPS, and effectively kicked into the long grass where they can be lost or forgotten.

**Comments on the Toolkit**

In relation to the toolkit, participants were not very optimistic that all aspects could be implemented in the UK. While a need to understand the environment was seen as being appropriate, the need was seen for influencing the environment through getting greater responsibility from government. The need for collaborative working was accepted but it was pointed out that networked governance was not on the government's agenda; it was argued that the LEPs need powers over some of the bodies that will not collaborate on an informal basis.

It was thought that an important rule of thumb is to identify families or policies in the strategy to offer scope for integrative planning. It was said however that in relation to spatial planning, the LEP is a collection of its individual core strategies (As noted above, local authorities have to prepare a Local Plan before a joint plan can be devised). Some support was given to the idea of a learning approach in strategic planning as the view was put forward of the need to think about strategy constantly. A shared formulation of the Goal rooted in wider values, what kind of economy was wanted was thought important as was the need to map out relationships and responsibilities to avoid tensions and things going wrong and if they do to have the means to do something about it.

There was some scepticism about targets and which these should be: Jobs or GVA. However, several participants commented on the whole institutional structure of LEPs and harked back to the RDAs, which were seen to be moving to an integrative approach and to be further critical of government. The comment implied that LEPs will not ensure integrative approach and they identified it as being a failure of national planning. It said that “you can’t just have regional planning without national planning. You have to have a hierarchy of planning to make sure there is some sort of sense”.

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**Reflection on Randstad case study**

Marjolein Spaans

*Draft version February 10, 2012*

## 1. Introduction

This document is a reflection on the Randstad case study in view of the results of WP 2.2. In this work package four groups of concepts were distinguished each concluded with a number of operational questions which are listed below. In the Randstad case we focused on the MIRT territorial agenda, which will thus stand central in the reflection. To a large part the operational questions were addressed in sections 3.7 (Findings and comparison between the three MIRT territorial agendas) and 3.8 (Reflection) of the Randstad case study. This text will thus largely constitute of a summary of these sections.

*Policy integration:*
- Can the plan(document) or strategy be positioned in terms of sectoral, territorial and organisational integration and is it possible to specify which type within the three mentioned categories are appropriate?
- Are there other plans/strategies/processes directed towards policy integration and for what reasons does the selected plan/strategy (i.c. MIRT agenda) stand out?
- Is the plan or strategy meant to bridge the gap between strategic choices and operational choices and in what way?

*Policy transfer and learning:*
- What could be the object of policy transfer or – phrased differently – what are potential candidate tools for the toolkit?
- What are critical contextual elements influencing the nature of these tools?

*Meta-governance and new forms of governance:*
- Is it possible to identify influences on regional integrative strategy making of higher tier government bodies without them being present or part of the governance network? Or in other words, does strategy making takes place under a shadow of hierarchy?
- Is the process of regional integrative strategy making embedded in a wider organisational setting which imposes, for example, deadlines, procedures, guidance or other influencing conditions on the network governance process?
- Are these hierarchical conditions perceived as positive or negative for the outcome of the regional integrative strategy making process?
- Are instruments such as contracts, result management, management by (political) objectives, and financial frameworks (see Sehested, 2009) used during the strategy making process?

*Collaborative Planning, Legitimisation and Partnership:*

- Which level of public participation characterizes the RISE strategies?
- Which stakeholder networks (members, relationships, configuration) were involved in the making and implementation of the RISE strategies?

## 2. Policy integration

*Positioning of the MIRT territorial agenda in terms of sectoral, territorial and organisational integration and in terms of the type of integration (co-operation, co-ordination and integrated policy making)*

The focus of policy integration in the MIRT territorial agenda is on organisational integration, i.e. multi-level government. It can be labelled as co-ordination (in contrast to cooperation and integrated policy making) as the strategy is built upon existing policy documents and does not develop new policy.

In WP 2.2 it is written that "policy integration refers to the process of sewing together and coordinating policies, both over (horizontally) and across (vertically) levels of governance, modifying them appropriately if necessary, to create an interlocking, hierarchical, loosely-coupled, multi-level, policy system that functions harmoniously in unity." In the MIRT territorial agenda the focus is on the vertical dimension as it relates (existing) policy from different government levels. However the horizontal dimension is not absent but limited compared to the vertical one.

During the agenda making process the substantive integration of policy objectives, which can be merely understood as co-ordination, also translates into organisational arrangements at each of the involved government levels.

In terms of territorial integration we conclude that this is limited in the territorial agenda. Cooperation over territorial borders usually adds complexity to the process. In the context of MIRT this has consequences in two directions. It integrates existing sectoral policy within a physically delimitated area. Territory is used as an integration frame but this does not mean there is a strong focus of territorial integration.

*Are there other plans/strategies/processes directed towards policy integration and for what reasons does the MIRT territorial agenda stand out?*

We have brought forward that there is an abundance of integrative territorial strategies in the Randstad at the regional level. We have chosen the MIRT territorial agenda as it combines both horizontal and vertical integration and a vision and an operational investment programme.

*Is the plan or strategy meant to bridge the gap between strategic choices and operational choices and in what way?*

The MIRT territorial agenda links an overall integrative vision with operational investment choices in specific sectors.

## 3. Policy transfer and learning

*What could be the object of policy transfer or – phrased differently – what are potential candidate tools for the toolkit?*

- The territorial agenda teaches us that it is not necessary to develop a new policy document to have an effective regional integrative strategy. It can also be based on existing policy documents. It then becomes easier to reach consensus with regard to the overall vision, objectives and ambition of the document.
- Different frames of integration are possible. In the MIRT territorial agenda territory is the integration frame.
- The process architecture of a strategy determines the result at the end. In MIRT territorial agenda for example the balance between horizontal and vertical integration and the integration between vision and projects (operational investment choices) determines its effectiveness.
- There are different levels of integration. Integration may relate to sectors, actors or territories. An attempt of horizontal integration is included in the agenda of Northwest Netherlands. It presents an overview of key projects for each sector and indicates the main relations with other themes (see below: *economie* = economy, *verstedelijking* = urbanisation, *bereikbaarheid* = accessibility, *natuur & Landschap* = nature & landscape, *duurzaamheid & klimaatadaptatie* = sustainability & climate adaptation).

**2. Economie**

| Nr | Fase | Naam | Aanleiding (opgave) | Initiatief-nemer | Afspraak korte termijn: 2009-2010 | Afspraak middellange termijn: 2011-2014 | Afspraak lange termijn: 2015-2040 | Thematische samenhang | Deel-gebied |
|---|---|---|---|---|---|---|---|---|---|
| EV 01 | V | Luchthaven Schiphol-Lelystad | Versterken mainportfunctie Schiphol en het mogelijk uitplaatsen van niet-mainportgebonden activiteiten naar regionale luchthavens | Rijk | Vaststellen toekomstvisie luchthaven Schiphol en wenselijkheid ten aanzien ontwikkeling luchthaven Lelystad | Verdere uitwerking plannen uitbreiding vliegveld Lelystad, in relatie tot ontwikkeling groen, wonen en bedrijvigheid | | | E, F, |
| EV 02 | V | Zeetoegang IJmond | Voldoende capaciteit en beschikbaarheid van de zeetoegang door de aanleg van een nieuwe zeesluis | Rijk en regio | Bespreking van de resultaten business case en mogelijkheden voor verzelfstandiging haven. Besluitvorming over start planstudiefase, vervlechting en PPS. | Verwacht besluit start aanleg in 2012. | Oplevering nieuwe sluis | | J, A |
| EV 03 | P | Randstad 380 kV | Versterken van elektriciteitsvoorziening door aanleg nieuwe verbinding Beverwijk - Bleiswijk | Rijk | Rijksinpassingsplan | Realisatiebesluit | | | E, J |
| EV 04 | P | Amsterdam Zuidas, | Integrale gebiedsontwikkeling voor wonen, werken en verbetering bereikbaarheid. | Rijk en regio | Vaststellen voorkeurs-richting ontwikkelingen Zuidas op basis van traject van der Berg | Na akkoord voorkeursrichting, verdere planvorming en voorbereiding uitvoering | | | D |
| EV 05 | P | Amsterdam Connecting Trade | Uitbreiding luchtvaartlogistiek complex met o.a. ongestoorde logistieke verbinding | Regio | Realisatie in het kader van programma Sterke Regio's | | | | E, I |
| EV 06 | P | Ruimtelijk Economisch Programma regiospecifiek pakket ZZL | Economische ontwikkeling van de Noordoostpolder | Regio | | | | | O |
| EV 07 | R | Greenport Aalsmeer | Uitbreiding en herinrichting sierteelt en businesscomplex Aalsmeer | Regio | | | | | E, I |
| EV 08 | R | Agriport A7 | Ontwikkelen en realisatie van de glasdriehoek tot nationaal innovatief centrum van de tuinbouw | Regio | Regio onderzoekt de ontsluiting van Agriport over weg en water | Op basis van resultaten afspraken over eventuele betrokkenheid rijk | | | N |


- Pay attention to conditions that make a regional integrative strategy possible. In the case of the territorial agenda these are listed under the following operational question.
- For other policy documents which do involve external stakeholders, a potential might be the PPP scan that has been developed at the provincial level in Utrecht. This is a web application internet based instrument which offers the opportunity to gain an advance insight in a simple way into how projects or programmes are expected to contribute to the sustainable development of a region or area. This insight is obtained by asking all the relevant stakeholders involved in a project or programme to give their opinion of it by means of a structured questionnaire. The questions relate to the three Ps of sustainability: people, profit and planet.

*What are critical contextual elements influencing the nature of these tools?*

- For the MIRT territorial agenda critical contextual elements are the fact that (1) there is an abundance of existing integrative policies at various horizontal levels, (2) – because of the previous element – territorial agendas are not supposed to formulate new policies, (3) there is no need to involve external stakeholders as these already have been drawn in the policy documents feeding into the agenda (see case study Randstad).

## 4. Meta-governance and new forms of governance

*Is it possible to identify influences on regional integrative strategy making of higher tier government bodies without them being present or part of the governance network? Or in other words, does strategy making takes place under a shadow of hierarchy?*

In relation to meta-governance the MIRT programme creates an institutional context which enables governmental stakeholders to deal effectively with the fragmented governance situation in their part of the Randstad. Also it is effective – in a number of ways – in relating strategy and vision to the concrete implementation of projects and investments. Yet, there are a few drawbacks too, in particular referring to the limited set of involved stakeholders and legitimacy as well as to the difficulty in aligning with other policy programmes and initiatives, especially those of regional and local governments.

On a more specific level the meta-governance consists of the MIRT process architecture which limits and enables integration. Projects which might be included in the MIRT project book to be financed by central government are subject to a MIRT framework of rules of the game (*MIRT spelregelkader*). A project passes through three phases and there are five moments on which a decision is taken. If a project is in need of a decision it is discussed in the

multi-level government meeting. The rules of the game for the projects in the MIRT project form so to say a meta-governance structure.

*Is the process of regional integrative strategy making embedded in a wider organisational setting which imposes, for example, deadlines, procedures, guidance or other influencing conditions on the network governance process?*
Although the organisational setting for the vision in the territorial agenda itself is quite open and flexible, the projects and programmes in the MIRT project book are subject to the MIRT framework of rules of the game (*MIRT spelregelkader*). These form so to say a meta-governance structure. The steering effect is expressed in the prioritisation of projects, whereby provinces choose projects which are likely to receive national funding.

*Are these hierarchical conditions perceived as positive or negative for the outcome of the regional integrative strategy making process?*
The making of the vision is not tied to hierarchical conditions, whereas the decision making about the projects on the list of projects is. This is perceived as positive for the outcome.

*Are instruments such as contracts, result management, management by (political) objectives, and financial frameworks used during the strategy making process?*
The MIRT territorial agendas are agreed upon in multi-level government meetings. They have a formal status and are binding upon by government tiers in the multi-level government meeting. They do not pass individual local councils, only the provincial council.

## 5. Collaborative planning, legitimization and partnership

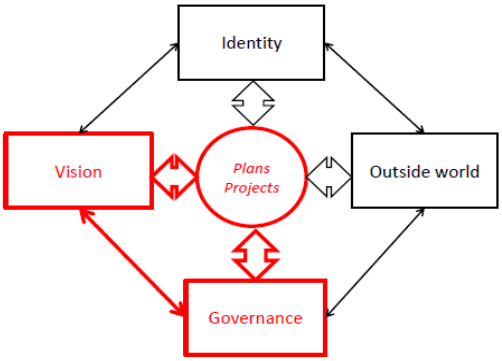
*Which level of public participation characterizes the RISE strategies?*
The MIRT territorial agenda builds upon existing policies as there is an abundance of integrative policies which exists at various horizontal levels. Because of that MIRT territorial agendas are not supposed to formulate new policies. External stakeholders (i.e. private and civic actors and umbrella organisations) have often been involved in policy documents, feeding into and preceding the MIRT territorial agenda. As a result the territorial agendas do not include political sensitivities which implies that they do not have to be discuss in the individual councils. The legitimation has taken place through the process of the underlying policy documents. From the perspective of legitimacy there is thus no need to involve non-government actors in the joint vision of the territorial agenda.

*Which stakeholder networks (members, relationships, configuration) were involved in the making and implementation of the RISE strategies?*
Only government representatives of different tiers are involved. Central government is represented by the ministry of Infrastructure and the Environment (which coordinates the central government input) and the ministry of Economic Affairs, Agriculture and Innovation. Regional government is represented differently in each region: in any case province

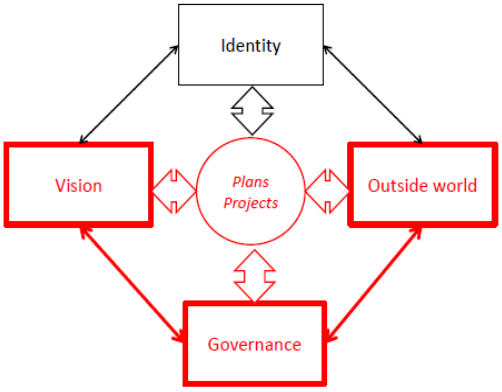
and in the Randstad Wing platform, and sometimes WGR-plus regions and main local authorities.

## 6. Positioning regional integrative documents in the strategy cycle

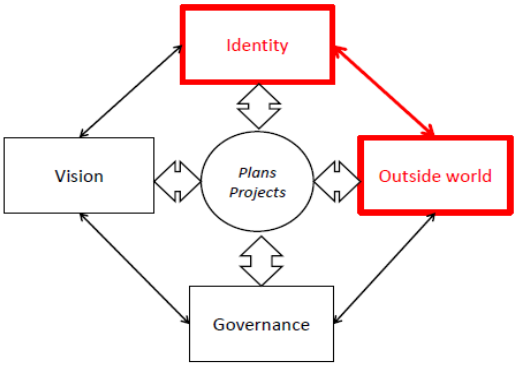
Statutory provincial documents on the basis of the Spatial Planning Act (combination of Structure vision, Spatial ordinance and Implementation agenda)



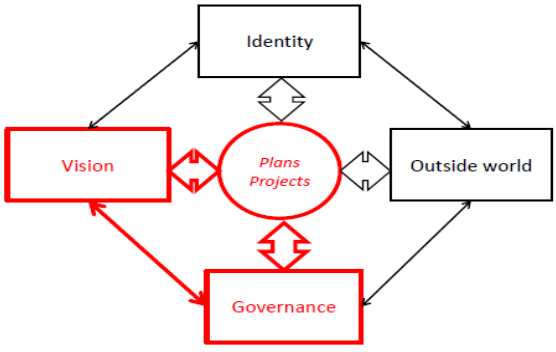

MIRT territorial agenda




Randstad 2040 policy document




Provincial integrated vision (Utrecht 2040 document as an example)



# Randstad Case Study: The making of Integrative Territorial Strategies in a multi-level and multi-actor policy environment

Draft version 2 February 2012

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# 1. Setting the scene for RISE in the Randstad

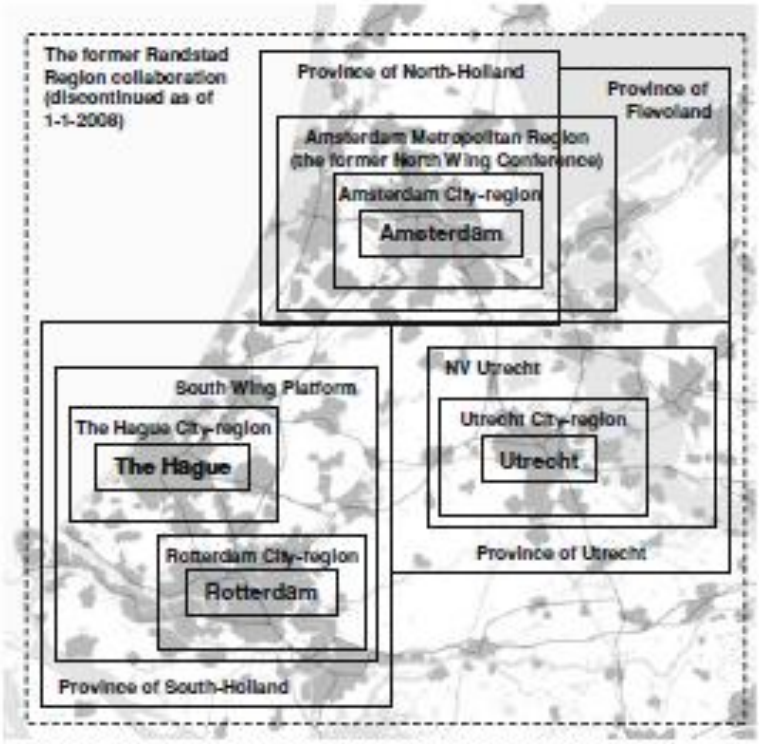
## 1.1 Introduction

Like the other case regions, in the Randstad there are attempts to develop integrative territorial strategies in a multi-level and multi-actor policy environment. Compared to the other RISE regions the Randstad is probably the most complex one on the basis of regional governance structures and the abundance of territorially relevant strategies. These structures and strategies moreover are in a continuous state of change.

The Randstad is covered by four provinces: South-Holland, North-Holland, Utrecht and Flevoland. Only parts of these provinces are located in the Randstad. The Randstad is rather a soft space: according to the policy document or administrative platform its spatial configuration and perimeters change. Neither at the NUTS 1 level nor at the NUTS 2 level an appropriate delimitation of the Randstad can be given. NUTS 3 regions can be assembled to present the Randstad but some NUTS 3 regions are doubtful case.

Figure 1 gives an overview of the situation a few years ago. It is worth emphasizing that the Randstad Region cooperation body – symbolised by the dotted line – was officially discontinued from January 1 2008. Quite recently a cooperation structure set up by the municipalities of The Hague and Rotterdam emerged: the Rotterdam-The Hague Metropolitan Region. The relationship with the existing South Wing Platform needs to be determined. Events like this are a clear indication of the softness of the Randstad as a level for policy integration.

**Figure 1: Partial and schematic overview of administrative supralocal actors in the Randstad area (Source: Lambregts et al. 2008)**




In the Randstad case policy integration takes place at several levels. We will seek to address the different – national, provincial, supralocal – levels, but as the stakeholders in the RISE projects are the four Randstad provinces the focus will be on them. This chapter starts with an overview of the history and current state of governance in the Netherlands in general and the Randstad in specific (1.2). It then introduces the formal regional strategic documents available to provinces and other levels and addresses integrative territorial strategies at the regional level (1.3). One of the documents has been selected as showcase for integrative territorial strategies: the MIRT territorial agenda, of which there are three in the Randstad. The Randstad case study focuses on these as a good example of an integrative territorial strategy. Interviews with key actors and documents form the basis of the analysis of the three territorial agendas (1.4). This chapter concludes with an analysis of the territorial agendas in the light of the toolkit.

## 1.2 Governance in the Randstad

As in most Western European countries the Netherlands has also faced a shift from government to governance. This has become apparent since the 1990s. The private sector and civic societies were increasingly involved in territorial related policies. The dominant role of government and national government in particular shifted towards a multi-level and multi-actor scene. Salet (2006) speaks of institutional building when actors are consulted but not formally involved. This is increasingly used as a means to create societal support for public policy. In this section we will focus on the changes in government structure as our case study on the MIRT territorial agenda predominantly involves government actors.

### Government principles

The basic structure of Dutch government was established in the 1848 constitution and named the 'Thorbecke House' after its founding father. The country was divided into municipalities, provinces and the central state each having their specific responsibilities. This system is thus drastically different from the English system for example, in which local government only has competences explicitly granted to it by central government (Zonneveld, 2010).

The government structure is often labelled as a decentralised unitary state: the underlying principle is of self-government of provinces and municipalities. Co-government is the underlying principle: central government involves the provinces, the municipalities, or both in the formulation and execution of its policies. The fundamental philosophy is that unity cannot be imposed on the country from above, but must come from a plurality of forces hashing out their differences within an agreed-upon framework. In other words, the unity in a decentralised unitary state is brought about by consensus building, an activity that is also known as 'poldering' (ibid).

The idea of the Netherlands as a decentralised unitary state run by consensual democracy has left its imprint on many policy domains, spatial planning being one of them. The legal and institutional basis of the Dutch planning system is laid down in the Spatial Planning Act (WRO) of 1962, which came into effect in 1965 and was fundamentally revised in 2008 (more about which below). Even the legislative process, which had started already before the Second World War, is indicative of the viscous state. It took so long because it was very difficult to reach a consensus about the roles of the different layers of government in relation to each other but also about the instruments of spatial planning in relation to the tasks and jurisdictions of policy sectors (Zonneveld & Evers, forthcoming).

Since the Spatial Planning Act, the idea is that national spatial planning should be seen as a coordinative activity. The instruments to bring about this coordination were of a non-financial nature – funding mainly came from policy sectors like transport, housing or agriculture. Nor was national spatial planning overtly regulative – the statutory powers to issue a directive were rarely used. The instruments of the national planner were primarily communicative: concepts, plans and vision documents were drawn up to capture the imagination of the various relevant actors, both within the sector departments on the national level (the so-called 'horizontal axis' of coordination) as well as at other levels of government (the 'vertical axis'). Sometimes these communicative instruments – especially policy concepts such as Randstad, Green Heart, mainport – reached further than government, spilling over into professional and academic circles, and society at large (ibid).

An important institutional practice to achieve this coordination at the national level was the National Spatial Planning Committee (RPC: *Rijksplanologische Commissie*)[2]. The task of this committee was to develop a common policy

[2] The RPC does not exist anymore. In 2007 this high level administrative commission merged with a similar committee working in the (nearby) domain of environmental policy, the RMC. The new commission was baptised as the Committee on Sustainable Built and Natural Environment (CDL). Main objectives of the merger were to thin out negotiation and deliberation structures ideas and to combat

framework in the field of spatial planning which spans the policy domains of all the departments that influence spatial development. Members of the RPC had high positions in their departments, mostly at the level of director-general, but the secretariat was part of the Directorate-General for Spatial Planning. The main function of the RPC was to prepare political decision-making. Conflicts which could not be solved by the civil servants were put forward to a sub-council of the Cabinet, the Council for Spatial Planning and the Environment, its existence another indicator for the sophisticated policy technologies used for intra-governmental consensus building in the field of national spatial planning policy. The monthly meetings of the RPC have never been open for the public; even members of parliament did not have direct access to the minutes and results of the deliberations (Van der Valk & De Vries, 1996). More important than the lack of openness was the fact that the intricacies of reaching consensus within the government restricts the room for alternatives in the political deliberations to follow (Zonneveld & Evers, forthcoming).

In the Netherlands, there is no clear-cut hierarchy defined by a binding national plan. Instead, when making plans and designing policies, lower levels of government (re)interpret the plans and policies of higher levels of government. Consultation and negotiation is key to this process, and strongly recalls the Dutch tradition of polderen (Frissen, 2001). Although there have been many changes to planning in recent years, and evidence that spatial planning has become more politicised (Boonstra & Van den Brink, 2007), this fact has remained relatively constant in an international perspective (Zonneveld & Evers, forthcoming).

Nevertheless, the fact that Dutch planning cuts across so many governmental layers and departments and tries to arrive at a coordinated, comprehensive and integrated solution has earned the epitaph of ‘comprehensive integrated approach’ in the international literature. In fact, according to the synthesizing report of the EU Compendium project, the Dutch system epitomizes this approach, characterised by “(…) a very systematic and formal hierarchy of plans from national to local level, which coordinate public sector activity across different sectors (...)” (CEC, 1997: 36). While the coordination aspect is certainly true, one can take issue with the statement regarding a plan hierarchy. The relationships between the three governmental levels and between the different types of plans each individual level of government is expected to produce, are rather subtle and in continual flux.

**Constant debate on regional governance**

The formal government at the level between the state and the municipality is the province. But there is a long-lasting search for a governance structure which fills the ‘regional gap’. This ‘regional gap’ – to be addressed by processes of policy integration – lies somewhere between the municipal and provincial level and for almost half a century there have been discussions to change the territorial organisation of government and to alter the division of

compartimentalisation in the administration of government, the latter in fact the raison d’être of the RPC and its counterpart. Although both RPC and RMC were working quietly behind the scenes – as was a main criticism – the silence surrounding the CDL is even more impressive. There are no evaluations available of the CDL. In fact such a commission will never be evaluated.

tasks between the layers of government. Specifically for the Randstad there has also been a search for governance at the level which surpasses the provincial level.

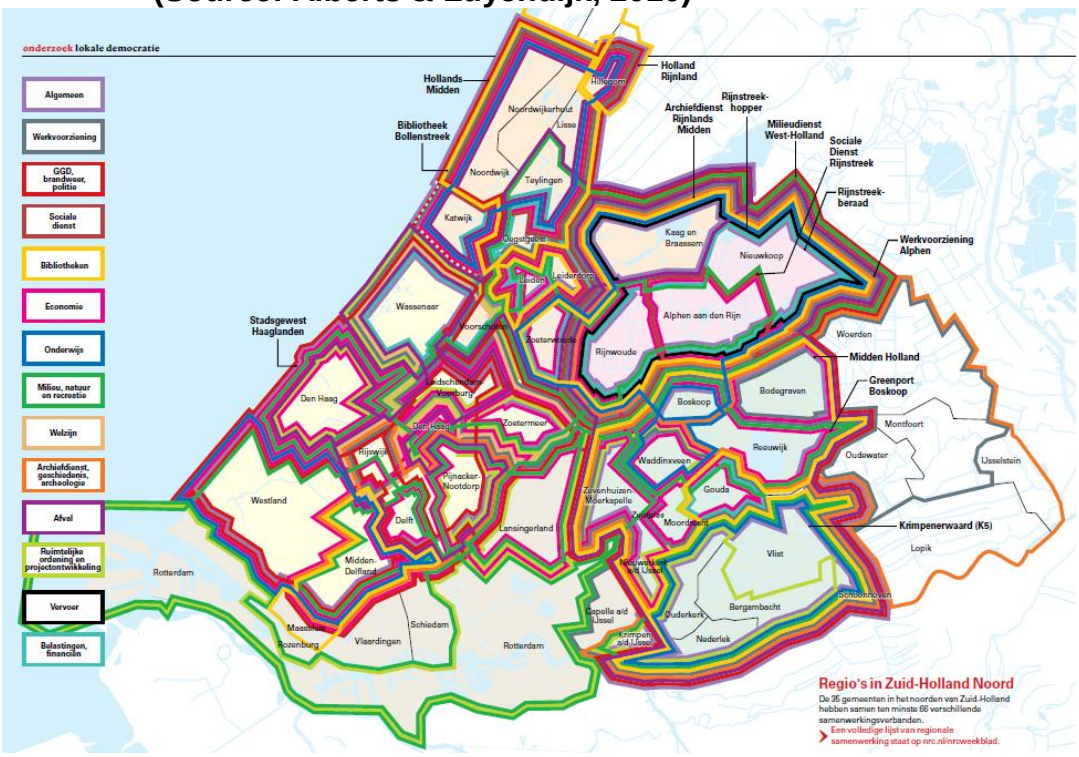
*Intermunicipal or supralocal cooperation*
Over the years several governmental proposals have been discussed and rejected. These proposals ranged from the (de facto) introduction of a fourth regional layer of government through municipal cooperation (1969) to an entirely new division at the provincial level: 24 provinces instead of 11, the number in these days (this proposal dates from 1975). There has been a recurring pattern in relation to administrative reform: after proposals to drastically redesign the 1848 structure the legislator returns to an improvement of the possibilities for municipal cooperation. In the 1990s the process seemed to take a new route: only a change in government structure would be needed in those urban regions showing the highest level of spatial integration. In 1994 the Framework Act 'Government in Change' (*Kaderwet Bestuur in Verandering*) announced a special status for seven urban regions which were expected to become city provinces. The proposal to turn these regions into city provinces had to be abandoned due to severe opposition from the (population of the) two main Randstad cities – Amsterdam and Rotterdam (Zonneveld, 2010). The conclusion so far is that municipalities, provinces as well as national government itself have been remarkably resilient in opposing and ultimately preventing some kind of intermediary level between the municipality and the province (Dijkink et al., 2001: 33).

An indication of the latter is that about four years ago the legislator returned to municipal cooperation. In 2007, after an interim period of more than a decade a new law came into force which created eight regions (see Figure 2) where cooperation was enforced between municipalities in the field of spatial planning, housing, traffic and transport, economic affairs and environment.

**Figure 2: The eight WGR-plus areas (Source: Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2010)**


WGR is the acronym of this *Wet Gemeenschappelijke Regelingen*, or law on municipal cooperation. 'Plus' stands for a number of explicitly defined competences which 'normal' WGR bodies cannot have. The WGR-plus arrangement is not a governmental level as such because there is not elected council to control the regions. The boards are formed by administrators from municipalities who have to give account of their decision in their municipal council. Next to these WGR-plus regions there is a dense network of 'normal' WGR areas which can be seen – at least partially – as a residue from various efforts over the years to create a genuine regional level of government (ibid. 35). Over the country there are 42 so-called composite cooperation areas, each area covering a limited range of voluntarily selected issues. On top of that there are literally hundreds of single issue WGR cooperation areas. Although in many cases their delimitation could be the same the regulation itself is separate. The exact number of these arrangements is very difficult to determine because there is no central register. Figure 3 gives an impression of the statutory cooperation areas in the Province of Zuid-Holland.

**Figure 3: Statutory municipal cooperation areas in South-Holland (Source: Alberts & Luyendijk, 2010)**




*Wing cooperation*

Next to what could be called 'hard' statutory cooperation in Randstad – within the perimeters of WGR (plus) regions – there is cooperation on other, higher territorial levels as well (see Figure 1). This cooperation is mostly soft as it is not based on legislation or formal arrangements. It is quite fair to claim that the Randstad concept has been invented by spatial planners. A government advisory committee in a 1958 report emphasised the need of an active planning approach on the level of the west of the country. Due to a growth of population and employment resulting in a rapid extension of the build-up areas of the main cities threatened to turn the deconcentrated urban structure of the western provinces into a 'sea of houses'. Green belts and a large Green Heart had to be kept open. So the issue of (desired) urban form has led to the introduction of the Randstad as a planning concept on the level of about a third of the country.

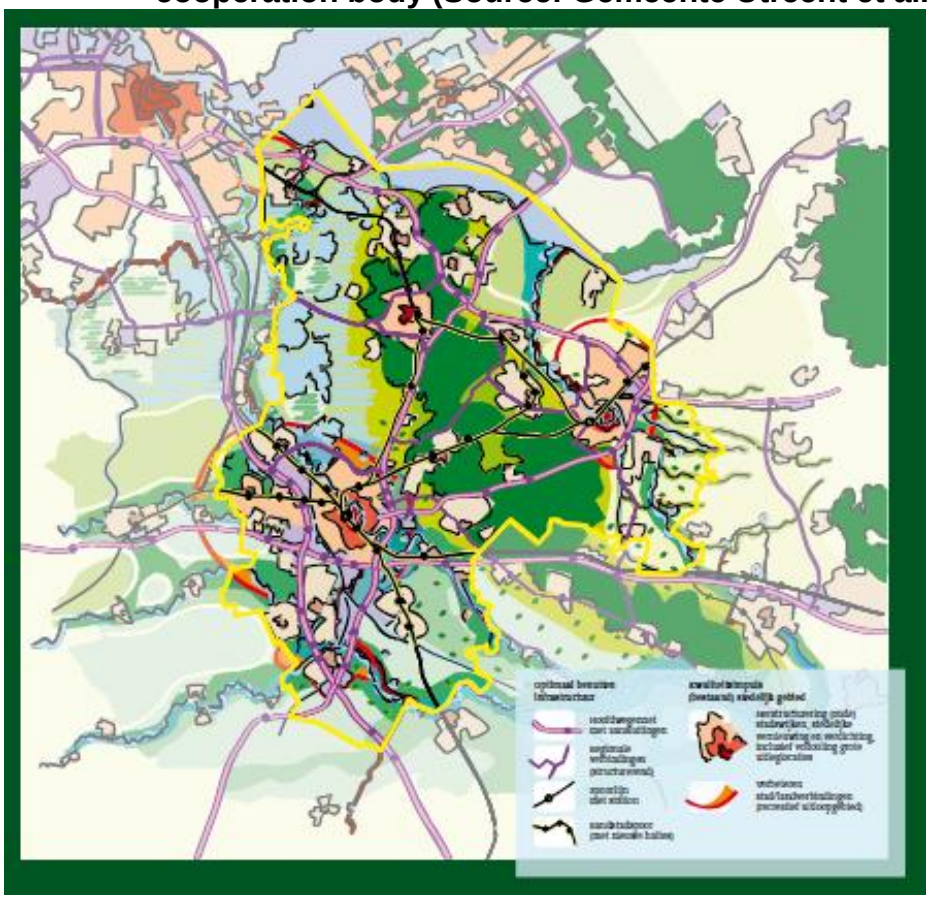
This Randstad approach has never been supported by a level of government of about equal size and perimeters. Through national planning policy programmes and agreements and covenants between national government and provinces and main cities the Randstad urban policy has been implemented. A prime example is the execution of the policy to create new towns during the 1970s and 1980s and the successor of this policy – the compact city approach – during the 1990s and 2010s.

There have been calls for the creation of governance structures on the Randstad level though, mainly inspired by issues of economic competitiveness: the pluricentric governance of the Randstad needed to be

overcome by a more unified policy level (see also below). In practice this has never taken off ground. Instead there has been and still is cooperation on the level between the provinces and the municipalities. In terms of scale the largest cooperation bodies can be found on what traditionally are called the wings of the Randstad. In planning two of such Randstad wings have been distinguished from the late 1950s onwards: a North Wing stretching from the IJmouth and Haarlem in the west to the Utrecht and Amersfoort agglomerations in the east and a South Wing stretching from the Leiden agglomeration towards the Dordrecht area.

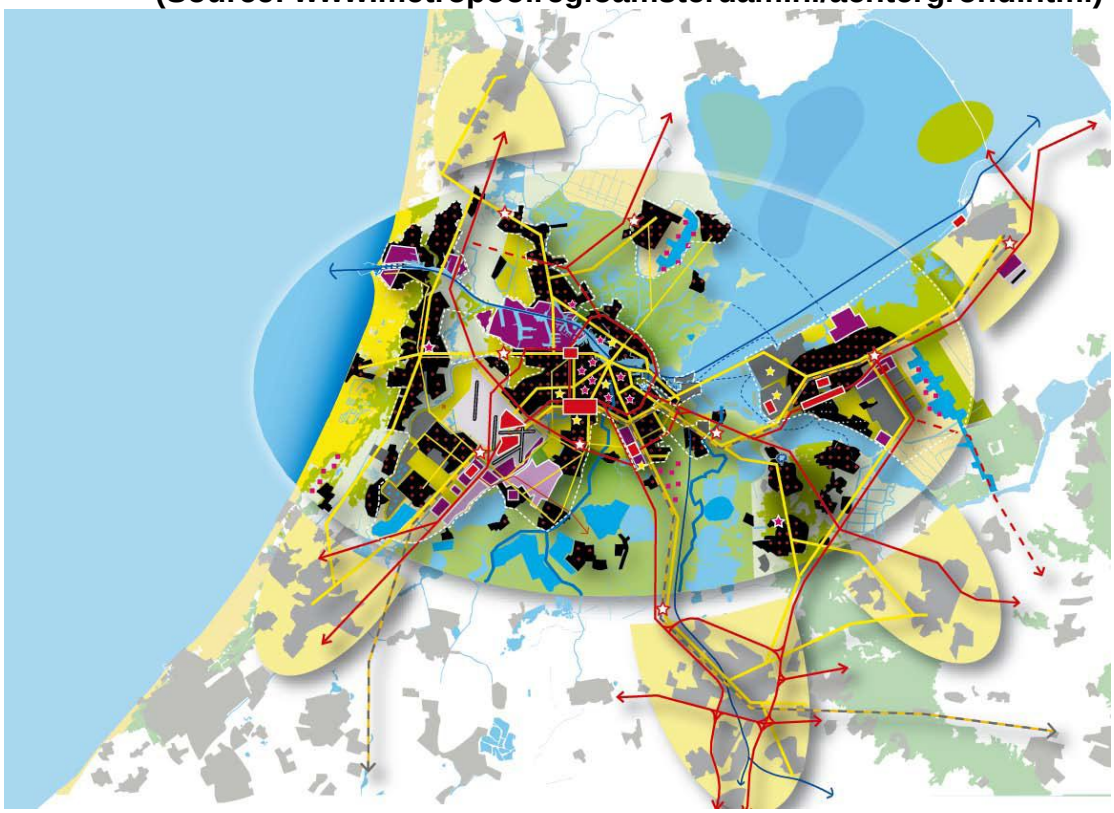
Around 2000 – the same time as the pleas for a renewed Randstad approach – (see the Deltametropolis concept below) large cooperation bodies on the level of the Randstad wings have been created. The one in the North Wing was initially called 'Regional Cooperation Amsterdam' (*Regionale Samenwerking Amsterdam*). This platform started via so-called North Wing Conferences. For reasons still not known by the general public a separate cooperation body in the Utrecht has been established in 2004. This is currently known as NV Utrecht: the acronym is the abbreviation of the Dutch word for North Wing. This cooperation body has a layered, multi-level structure. Members are the province of Utrecht, three municipalities (Utrecht, Amersfoort and Hilversum) and three regions (the WGR-plus region Utrecht, the Amersfoort cooperation body and the Gooi and Vecht area). So NV Utrecht is not limited to the province of Utrecht but also includes the southeast of North-Holland, as shown in Figure 4.

**Figure 4: The NV Utrecht area; there is no official map of this cooperation body (Source: Gemeente Utrecht et al., 2009)**



In 2008 Regional Cooperation Amsterdam' has been renamed Amsterdam Metropolitan Area (MRA: *Metropoolregio Amsterdam*). 36 municipalities are member as well as the provinces of North-Holland and Flevoland and the Amsterdam WGR-plus region. The area is more than twice as big as NV Utrecht and its membership partly overlaps (see Figure 5).

**Figure 5: Approximation working area Amsterdam Metropolitan Area (Source: www.metropoolregioamsterdam.nl/achtergrond.html)**



The Administrative Platform South Wing (BPZ: *Bestuurlijk Platform Zuidvleugel*) has been established in 2000 (Figure 6). The BPZ has the following eight partners: the Province of Zuid-Holland; five regional cooperation bodies including Rotterdam Urban Region (*Stadsregio Rotterdam*: WGR-plus), Haaglanden Urban Region (The Hague and surrounding municipalities; also WGR-plus); Holland Rijnland (the northern part of the province with Leiden as the largest city); the Drecht Cities (Dordrecht and surrounding municipalities) and Midden-Holland (Gouda and its environs); the municipalities of Rotterdam and The Hague. Like the North Wing the BPZ was explicitly not meant to become a new decision-making layer of government. It was meant as a platform to reach agreements about projects and investments *without* a transfer of competences.

It is not unjustified to claim that the main protagonist of the BPZ is the Province of Zuid-Holland more or less like Amsterdam is the main protagonist of the MRA. Interestingly a new cooperation structure is emerging in the South Wing: the Rotterdam-The Hague Metropolitan Region, an initiative of both cities. In this Metropolitan Region the two main cities (Rotterdam and The Hague) play a major role; the province and the smaller cities and regions are not represented (as in the BPZ). Like elsewhere in the Randstad it is claimed that this new structure should not be seen as a new layer of government. Both cities though claim the transport budgets when it comes to the abolition of the WGR-plus areas as central government would like to do (see further below).

**Figure 6: The perimeters of the Administrative Platform South Wing (coloured areas) (Source: Provincie Zuid-Holland)**


*Randstad cooperation*

The highest level of the entire Randstad is without any doubt the most unsuccessful level of cooperation. When government was preparing the Fifth report on spatial planning in the late 1990s the situation looked quite positive. The concept of Deltametropolis was framed by academics and seemed to guide even politicians and civil servants of the four main cities of Randstad, including Amsterdam. The Randstad as a key level for integrated territorial strategy making seemed to become generally accepted. From this perspective it did not come as a surprise that in September 2002 the four Randstad provinces, the four main urban regions plus their core municipalities established Regio Randstad as a negotiation and cooperation platform. Its formal base was statutory: the law on administrative cooperation (WGR).

Next to the Regio Randstad the Deltametropolis Association – initiated by academics and the civil society at large – was active. Its memberships stretched from main Randstad cities to chambers of commerce. It started to function as think tank and a platform for open, conceptual discussions about Randstad and key areas within Randstad. So about a decade ago two loosely coupled trajectories were created. One trajectory was heavily dominated by political negotiations, reaching consensus and decision-making. The other trajectory was dominated by research and design related discussions and various sorts of publications, partly web-based and supposed to inspire politicians and administrators working along the other trajectory: a network type of laboratory for research, design and discussion.

The momentum created by the Deltametropolis even lead to (renewed) calls for a Randstad authority. In 2007 central government installed a high level commission consisting of the mayors of the four major cities and the commissioners of the four Randstad provinces – called the 'Holland 8' . It came to the conclusion that to improve the competitive position of the Randstad a far reaching administrative reform was necessary to put an end to the 'administrative crowdedness' (Lambregts et al., 2008: 51-52). National government set aside this strongly formulated advice. Support for this decision came from two research institutes: the OECD in a 2007 report as well as the RPB, the Netherlands Institute for Spatial Research, in a report a year later. The RPB concluded that the administrative structure of the Randstad is not worse compared to other urban regions in Europe and can therefore not count as an explanatory factor for the level of economic competitiveness (De Vries & Evers, 2008). Partly as the result of this the support for a Randstad approach has evaporated. A major event was, as already mentioned in the introduction, the dissolution on the first of January 2008 of Regio Randstad. The main reason was that the four participating cities lost interest in Randstad cooperation, chiefly because it was difficult to reach agreement. They also felt they did not need this governance level of scale to get financial support from national government for a variety of projects.

Randstad cooperation has not ended entirely though. Although there is no political platform to discuss Randstad level policy issues anymore the four Randstad provinces (without the four main cities!) still cooperate to promote their interests at the European level. A small group of provincial representatives works together on this, partly based in Brussels in the 'House of the Dutch Provinces' (see: www.regio-randstad.nl; www.nl-prov.eu; accessed 29 May 2010). This structure serves as the framework for the participation of 'the' Randstad in the ESPON RISE project.

So the only existing policy cooperation on the Randstad level is externally, even internationally oriented. The Deltametropolis Association is still active although it is suffering from the absence of the parallel political trajectory: a Randstad level policy counterpart is missing. The loose coupling between two Randstad trajectories we have identified above does no longer exist simply because one trajectory has been wiped out altogether. Above we have seen that at present the discussion about the administrative structure of the Randstad is open again. It is highly unlikely though that a single Randstad authority will be created. All the signs are directing towards the Randstad wings (Ministerie VROM, 2008; Ministerie I&M, 2011; Rob, 2011).

**Some plans for the future**

What plans are there for the future of governance in the Randstad? In spite of the on-going criticism on municipal cooperation as a tool to fill the regional gap (undemocratic; cluttered) there has been some sort of radio silence about the administrative structure of the country. For several years matters have changed though. Because of the financial crisis and heavy investments by the national government in the Dutch banking system, government is cutting down spending. The belief is that a restructuring of the entire administrative

system of the country could cut government spending with billions of euros. (Ministerie van Financiën, 2010). The present coalition government – in office since September 2010 – sees the reorganisation and simplification of the administrative structure of the Randstad as a priority. No matters should be dealt with by more than two administrative levels.

One conclusion is that the WGR-plus regions have to go, but there is no news yet about their abolishment. An evaluation by the Ministry of Interior Affairs (Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, 2010) concluded that the regions score well in the realization of coherent regional policy. Initially another conclusion by the government was that some kind of Randstad authority should have to be created consisting of four provinces. This idea is abandoned. In 2011 a merger of the three northern Randstad provinces (North-Holland, Flevoland, Utrecht) was announced, but there is no consensus about this idea.

**Conclusion**

What this shows is that regional governance in the Netherlands – at least in the Randstad – is in a state of constant flux. A specific issue requires which regional level is the most appropriate to deal with the issue. While the House of Thorbecke with the three formal government levels is stable, supplementary regional structures will be built up and pulled down in due course. Although there is some sort of consensus about the existence of an administrative gap on the regional level, there is no political and societal agreement how to fill this void. So while the three level structure of the administrative structure of the country as a whole is quite stabile since its establishment in 1848 – apart from a creeping amalgamation of municipalities – this does not count for the regional level. Over the year there seems to be a disagreement over the question whether administrative reorganisation and integration is a prerequisite for policy integration, especially in the territorial domain. At present a Randstad approach seems highly unlikely. If there will be a formal reorganisation of the administration at this moment it is very likely that there will two separate Randstad wings. Whether matters can be resolved on the basis of the laws on the provinces and municipalities remains to be seen. A change of the constitution needs the approval of two consecutive parliaments. As the administrative structure of the country is such a sensitive issue this seems to be beyond comprehension.

## 2. Statutory documents and other integrative territorial strategies at the regional level

### 2.1 A new Spatial Planning Act

A new Spatial Planning Act came into force as from July 2008 resulting in a less complex planning system than before. This law makes a distinction between policy, regulation and implementation, whereas these were cross linked in former statutory planning documents. The law distinguishes between two main planning documents: a strategic planning document and a legally binding plan. Strategic and indicative policy is set out in structure visions

(*structuurvisies*); the legally binding, prescriptive policy is set out in land-use plans (*bestemmingsplannen*). For smaller projects a project plan (*projectbesluit*) can be made. The making of these legally binding land-use regulations as well as strategic planning has become possible at all governmental levels. That provinces as well as national government can formulate land-use plans is a major novelty in the Dutch context and is introduced to speed up the realization of sectoral plans (mainly infrastructure). In addition to these, the possibility of making general legally binding land-use regulations (*verordeningen*) by the provinces and the national government was introduced.

In the structure vision, an integrated outline must be given of the desired spatial developments for a particular area and direction must be given to the relevant spatial policy for the area. The structure vision replaces the national key planning decision at the national level, the regional plan (*streekplan*) at the regional level, and the municipal structure plan at the local level in the previous Spatial Planning Act. The new structure vision is a mandatory policy document without any legally binding elements, in which the administrative body that establishes it binds itself with the vision of the desired spatial development in a particular area. If the provincial interest or the interest of national government is at stake, they will have the power to make their own legally binding land-use plans, called the provincial land-use plan (*inpassingsplan*) in the new system. As far as the legally binding land-use plan is concerned, current legislation also aims at more up-to-date local land-use plans. Therefore in principle every ten years a land-use plan has to be revised. A quicker procedure and an obligation to make digital plans should facilitate this.

## 2.2 Statutory documents of the province

Due to the changes of the Spatial Planning Act the provincial role has changed. However there is no change in the way the province performs its strategic role, although the statutory planning document is new. Dutch provinces have always been heavily involved in strategic planning; the new legal instrument of the structure vision has the same application as the former regional plan. The only difference is that it no longer forms the basis for mandatory approving local land use plans by the province, a provincial competence that has been abolished altogether. A province is now also able to make binding land-use regulations itself, using a provincial land-use plan or the independent project procedure at the provincial level. This competence is, however, restricted to projects of provincial importance. The land-use plan is the only planning document which is binding upon citizens.

### Provincial structure visions

According to the 2008 Spatial Planning Act each province has to have a structure vision which is the main integrative territorial strategy document at this level (thematic visions as well as visions for a part of the provincial territory are also possible). The province usually involves a wide array of public and civic stakeholders in the formulation of provincial structure visions

and other territorial integrative strategies. The current situation of available structure visions looks like this:[3]

- North-Holland: the current vision dates from mid-2010.
- South-Holland: the first version dates from 2010 but is constantly revised when necessary.
- Flevoland: the Environmental Management Plan (*Omgevingsplan*) is officially also a structure vision. This document includes all outlines of provincial policy. The province is currently preparing a partial vision for the Oostvaarderswold area (a combined nature and leisure area) and a thematic vision on wind energy.
- Utrecht: the present so-called comprehensive structure vision (*Integrale Structuurvisie*) 2005-2015 (the result of a policy neutral adaption of the regional plan) dates from 2010. Revisions of the current vision are laid down in partial as well as thematic structure visions. The province also has a so-called 2040 Strategy aiming for sustainability (*Utrecht 2040*) (see below).

**Other territorial integrative strategies at provincial level**

Other than the statutory structure visions provinces also formulate and use other integrative territorial strategies. Examples are visions on urbanisation, landscape, mobility or economy integrating different perspectives. They are often used as input in provincial structure visions. An example is the Utrecht 2040 document, which is developed as a strategy for the future of the province. The scope of this strategy is more general. Also the way it has been prepared is quite different: while a structure vision spells out key interests of the provincial administration and is only binding the administration itself, the 2040 strategy is a strategy of the province and 29 partners ranging from interest groups, NGOs and municipalities to the University of Utrecht and private companies. Building commitment within the province was a major goal which was reached amongst others by jointly discussing and designing the strategy to be followed by the province.

## 2.3 Integrative territorial strategies at the national level about the Randstad

While the provincial level is the formal government level to address regional integrative strategies, other formal and informal government levels also formulate these. In succession the relevant integrative strategies at national, wing and WGR-plus level will be introduced (from high to low level of scale).

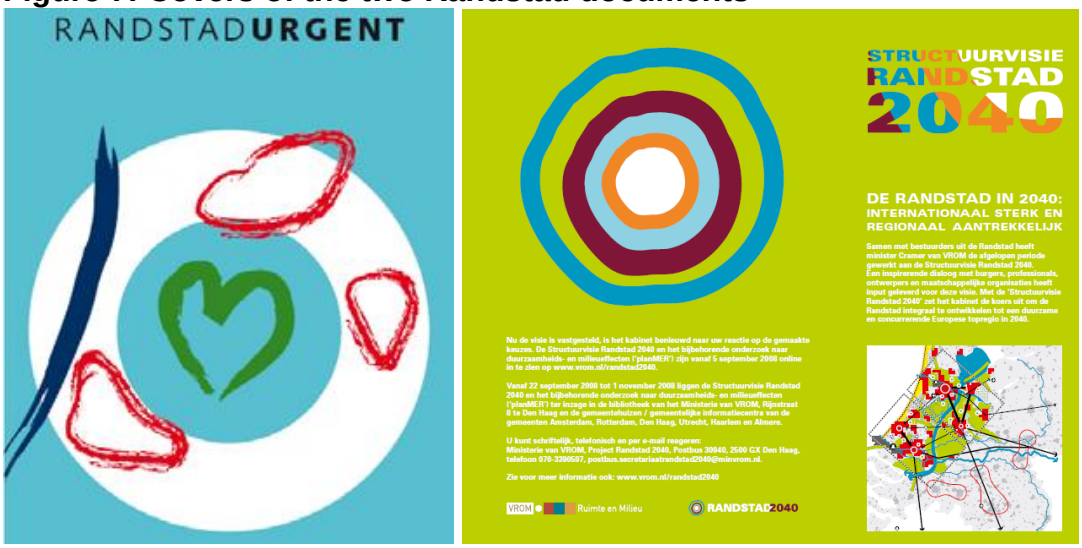
**Randstad 2040 and Randstad Urgency Programme**

When the Upper Chamber of Dutch Parliament approved the National Spatial Strategy in 2006 it asked for an integrated long-term vision on the Randstad and a strategy for implementation of the vision. This resulted in the Structure Vision Randstad 2040 (*Structuurvisie Randstad 2040;* Ministerie VROM,

[3] As said above there are legally binding land-use regulations (*verordeningen*) next to the visions. We do not discuss these as they have no importance whatsoever in terms of regional integrative strategy making. The Province of Zuid-Holland uses the general label 'vision' and under this umbrella concept differentiates between the spatial vision, the implementation agenda and the land-use regulation.

2008) and the Randstad Urgency Programme (*Randstad Urgent*) (Figure 7). The vision addresses social, cultural, ecological and economic trends and challenges and their spatial implications and relates them to the spatial structure of the Randstad. The Randstad Urgency Programme, which comprises of some 40 projects (Structure Vision Randstad 2040 being one of them), focuses on the short-term problems in the physical domain.

**Figure 7: Covers of the two Randstad documents**




## 2.4 Integrative territorial policy documents at the wing level

Although the wing level is not a formal government level, integrative territorial policy documents are considered as crucial by the participants. With the coming into force of the new Planning Act in 2008 each government level had to formulate a self-binding structure vision. The vision at wing level forms the umbrella for the structure visions of the individual government tiers. Below we introduce the major documents at wing level.

### Amsterdam Metropolitan Area

*Ontwikkelingsbeeld 2040*

The government tiers in the North Wing body joined forces in developing a joint structure vision. The result was the Development Vision 2040 (*Ontwikkelingsbeeld 2040*). The political core group of the North Wing decided to reach a supported, long-term development vision in an open process. This vision was then used as point of departure for structure visions of government tiers participating in the North Wing. A structure vision is optional, not mandatory for the North Wing as an informal government structure, however it is for provinces and municipalities. Main ambition is to develop the North Wing into an internationally attractive and competitive European metropolitan area.

### NV Utrecht

*Ontwikkelingsvisie Noordvleugel Utrecht 2015-2030*

De NV Utrecht actors jointly published the Development Vision North Wing Utrecht 2015-2030 (*Ontwikkelingsvisie Noordvleugel Utrecht 2015-2030)* in 2009. As in the Amsterdam Metropolitan Area the main goal is to strengthen the position of the Randstad in Europe. It was meant as an elaboration of the

national structure vision Randstad 2040. As was the case for the Development for the Amsterdam Metropolitan Area the Vision of Utrecht is also the point of departure for province and municipalities for their statutory structure visions. It also forms the basis for agreement in the Long-Term Programme for Infrastructure and Transportation (MIRT) (see section 3).

**South Wing**

There is not one overall integrative policy document at the level of the South Wing. The South Wing Bureau works along five programmes: (1) the Economic Agenda (*Economische Agenda*), (2) the Accessibility Package (*Bereikbaarheidspakket*), (3) *StedenbaanPlus* (regional rail infrastructure), (4) the Urbanisation Programme (*Verstedelijkingsprogramma Zuidvleugel 2010-2020)* and (5) Metropolitan Landscape (*Metropolitaan Landschap Zuidvleugel*). These programmes all aim at integration of a selective number of policy fields, although that resulted in a sectoral agenda. StedenbaanPlus for example relates spatial planning with rail infrastructure and the Metropolitan Landscape South Wing document looks at different levels (international, national, regional and local) and perspectives (spatial, climate, ecological, economic, social, cultural challenges) combining the two dimensions into a scheme with multiple perspectives. Of these five programmes the Urbanisation Programme is perhaps the most integrative programme. It strongly focuses on brownfield housing and quality of the living environment. Transport accessibility and sufficient and accessible public space and recreation areas are conditions for house-construction.

## 2.5 Integrative territorial strategies at the level of the WGR-plus regions

There are four WGR-plus regions in the Randstad: the urban regions of Amsterdam (*stadsregio Amsterdam*), Rotterdam (*stadsregio Rotterdam*), The Hague (*stadsgewest Haaglanden*) and Utrecht (*Bestuur Regio Utrecht*). Each urban region provides a regional structure plan in which the future development of the area is indicated. It addresses housing, working, mobility, landscape and green spaces. The plan includes concrete policy decisions about projects or amenities of regional importance.

# 3. Integrated strategy making: the MIRT territorial agendas as a showcase

## 3.1 Introduction

The preceding shows that there is an abundance of integrative territorial strategies in the Randstad at the regional level. The question what we consider as the 'regional' level in the Randstad can also be answered in different ways as there is not one inclusive Randstad covering level. In the Randstad case study one specific integrative territorial strategy was chosen to analyse more into depth: the MIRT territorial agenda. It combines both horizontal and vertical integration and vision and investment programme. Although the origin of the territorial agenda is facilitating decision-making for the purpose of the central government infrastructure investment programme, it has been broadened since.

Since 1999 infrastructure projects financed by central government were included in the MIT project book as an annex to the Infrastructure Fund in the central government budget. MIT stands for Long-Term Programme for Infrastructure and Transportation (*Meerjarenprogramma Infrastructuur en Transport*). The type of infrastructure determines which level of government is responsible for its financing and construction. Central government is responsible for both financing and construction of highways and railways. Regional infrastructure, such as provincial roads and bridges, but also public transport infrastructure (bus lanes and bus stations) is financed by central government through provinces and urban regions via a combined special-purpose grant (BDU; *Brede Doeluitkering*). Projects above a certain threshold sum are financed via the MIT. The construction is either the responsibility of province or urban region. The procedure which projects are financed through the MIT is based on consultation between regional and central government. In 2007 a new government announced that this programme would be broadened to MIRT in which the R stands for Territory (*Ruimte* in Dutch). Reason was a better tuning of accessibility and territory. The MIRT is an implementation instrument; it links budgets with projects (De Jonge, 2011).

The MIRT contains the central government investments in projects and programmes of two ministries: (1) Infrastructure and Environment and (2) Economic Affairs, Agriculture and Innovation. The MIRT project book is an overview of all territorial programmes and projects in which central government jointly participates with lower tier governments. The aim of the MIRT is to bring more coherence in investments in territory, economy, accessibility and quality of life. In doing so the government aims at reinforcing the cooperation between both central departments and between central and lower tier government. Until now Ministers, State Secretaries and lower tier administrators meet twice a year in so-called multi-level government meetings (*Bestuurlijk Overleg MIRT*), in which the MIRT project book is one of the items on the agenda. Programmes and projects which need a decision or about which there is a conflict are then discussed. Although it is the intention to

decide about projects in these multi-level government meetings, decisions can also be taken outside the meetings. As from 2012 the frequency of the multi-level government meetings will be only once a year. Projects which might be included in the MIRT project book to be financed by central government are subject to a MIRT framework of rules of the game (*MIRT-spelregelkader*). A project passes through three phases and there are five moments on which a decision is taken[4]. If a project is in need of a decision it is discussed in the multi-level government meeting. The rules of the game for the projects in the MIRT project form so to say a meta governance structure.

Marshall (2009) concludes that there is an awareness of the problem of departmentalism, silo mentalities, separate communities in the Netherlands. The territorial agenda is one of the attempts to tackle these issues. Marshall indicates that efforts as the MIRT to gain a productive interrelationship with infrastructure planning are critical for the effectiveness of spatial planning.

### 3.2 Prime function of the instrument of the territorial agenda

In order to provide a strategic framework to assess which programmes and projects should be taken up, the central government asked eight regions[5] to develop a territorial agenda. These regions cover the entire country. The agendas are drawn up cooperatively by central and lower tier government in each region. They constitute the underpinning with respect to content for potential new programmes and projects. They are meant to stimulate the coherence between the different policy fields and between central and regional policy. The agendas are agreed upon in the multi-level government meeting and form the basis for the agenda of these meetings. New about the territorial agendas is that it provides insight why projects are being pursued and how they contribute to the integrated development of an area. An additional advantage is that central and lower tier government share this vision.

The MIRT territorial agendas serve a confined goal – basis for decisions on investments in particularly infrastructure – and are based on existing policy. The involvement of a wide array of stakeholders is thus not considered necessary; only government actors are concerned with the agenda. The agendas consist of two parts. In the first part the area is characterised and the key developments are described. Partly based on this part the ambitions for the territorial development for the medium range are formulated and the corresponding objectives are laid down. The result is a shared vision. There is a clear distinction between the vision part which has an integrative ambition and the list of projects which has a more limited ambition. In the second part the territorial issues are concretised and elaborated in possible solutions. These form a breeding ground for possible programmes and projects, which may lead to MIRT explorations. If an issue is not sufficiently elaborated in time, scale and aim, a MIRT research may be taken up if importance and

[4] (1) Exploration phase (a. take-off decision and b. preference decision), (2) Plan development phase (c. project decision, d. implementation decision) and (3) Realization phase (e. delivery decision).

[5] North Netherland, East Netherlands, Northwest Netherlands, South Wing/ South-Holland, Southwest Delta, Utrecht, North-Brabant and Limburg.

urgency are evident in the long term. In view of legitimation a MIRT exploration needs a broader field of stakeholders than the territorial agenda as it is an elaboration of it.

The vision in the agendas – expressed in ambitions and objectives – has a long term horizon (usually until 2030). Most of the eight territorial agendas have been decided on in the fall of 2009 and have been used in the MIRT project book of 2010. A territorial agenda deals with living, working, economic activity, mobility, nature, landscape and water. It contains at least:

- A characterisation of the area
- An analysis of (autonomous) developments (bottlenecks national housing market analyses, network analyses, demographic developments, economic developments)
- Ambition and vision (area vision)
- Integral objectives (if needed for each geographic subarea)
- Potential programmes and projects resulting from the formulated ambition are prioritised
- Supporting maps (related to vision as well as to concrete programmes/projects)
- Points of difference between central and regional government; these are the topics for the BO MIRT (Multi-level government meeting about the MIRT).

Existing policies are used as much as possible in the formulation of the territorial agendas. All territorial agendas have the same table of content and use the same type of maps.

In 2010 a new central government was inaugurated. Major financial cutbacks, the abolishment of the urban regional level and decentralisation of responsibilities to lower tier government are among the focus points. There were signs that these changes urged a second generation of territorial agendas. Practitioners see the territorial agenda both as promising and worrying. Promising because the agenda gives freedom to relate fundamental issues with regard to territory, infrastructure, urban and rural land uses without given requirements about the form and across administrative boundaries. The agenda is seen as a means to frame decisions on the short term. The worries are about the imbalance between the attention for the integrated vision and the focus on the approval of projects and their financing (De Jonge, 2011, p.125).

### 3.3 Three agendas for the Randstad

Three of the in total eight territorial agendas are located in the Randstad: (1) South Wing/South-Holland, (2) Northwest Netherlands and (3) Utrecht. Only the first one covers one province, the other two each cover two provinces: Northwest Netherlands covers the provinces of North-Holland and Flevoland and the Utrecht agenda covers a minor part of the province of Noord-Holland and, logically, the province of Utrecht.

The process of the elaboration of the territorial agendas started by an umbrella introduction about the Randstad. The document Glimpse on the Randstad (*Blik op de Randstad*) (Randstad Urgent, 2009) is based on the

Structure Vision Randstad 2040 and describes the coherent objectives in the Randstad. The vision introduces four principles:

- Living in a safe, climate proof and green-blue delta
- Making quality by a stronger interconnection between green, blue and red (nature and agriculture, water and urban land uses)
- Reinforcing what is internationally strong
- Strong and sustainable cities and regional accessibility.

After this introduction under the responsibility of central government each of the regions in the Randstad elaborated its own agenda in a joint collaboration of central and lower tier government. There is an input from regional sectoral policy which has a territorial component and which is relevant in the relation between central and regional government. The territorial agendas are the result of negotiations between central and regional government tiers: they are the result of joint effort. Below we briefly introduce the key objectives in the three territorial agendas (see textbox). In the following sub-sections we will address each of the three agendas in greater detail. Here we will focus on the stakeholders, how they cooperated, the difficulties they had to overcome, the vertical and horizontal integration and the relation with existing policies.

**Territorial Agenda South Wing/South-Holland**

The territory which is covered by the agenda is physically delimitated: it covers the whole province of South-Holland but focuses on the South Wing. The agenda was agreed upon in the multi-level government meeting MIRT of central and lower tier governments in November 2010.

The elaboration of the agenda consists of three phases: vision, list of projects and prioritisation of projects. The agenda presents an overview of projects and programmes for the period 2010-2028. The five ambitions for the territorial development are: (1) to promote economy, (2) to intensify cities, (3) to bring landscape close to home, (4) to improve accessibility and (5) to take on water and energy objectives. For each of these ambitions a vision is formulated based on sectoral policy. This results in a map with projects and programmes and the time range in which they have to be implemented. It concludes with a top ten of projects and programmes, which reflects the importance the region attaches to an integrated approach.

Regional participants in the South Wing Platform had a major input in the text of the agenda. There was input from different sectors, but with a focus on spatial planning. The territory outside the South Wing was also represented in the project team. The themes which overlap with neighbouring territorial agendas such as the Green Heart and the Southwest Delta area, were fine-tuned by the provincial organisations.

**Territorial Agenda Northwest Netherlands**

The territory which is covered by the agenda is physically delimitated. It covers the provinces of North-Holland and Flevoland, while it focuses on the Amsterdam Metropolitan Area. It was written in 2009 and agreed upon in the multi-level government meeting MIRT in November 2009.

The main ambition is to strengthen the international competitiveness of the Randstad. The agenda translates this ambition into a vision for the area and presents an overview of projects and programmes for the period until 2040.

The vision is based on a document which had just been elaborated: Development vision North Wing 2040 (*Ontwikkelingsbeeld 2040)*. Projects are elaborated on the basis of five challenges: (1) economy, (2) urbanisation, (3) accessibility, (4) nature and landscape and (5) sustainability and climate proof. The four priority areas are Westflank, Zaan-IJ oevers, Zuidas and Almere.
The official regional authors of the agenda were the urban region of Amsterdam and the two provinces, but the Amsterdam Metropolitan Area was the actual regional platform organising the regional input.

**Territorial Agenda Utrecht**
As the other two territorial agendas, the one for Utrecht is also physically delimitated, but does not follow the provincial borders as such. It covers the province of Utrecht and a part of North-Holland, i.e. the Gooi and Vecht region. In so doing it territorially overlaps with the Territorial Agenda Northwest Netherlands. Towards the east it borders the province of Gelderland, in particular the Food Valley region and the so-called WERV area (Wageningen, Ede, Rhenen and Veenendaal) with which there are several functional territorial relationships.
The agenda was written in 2009 and agreed upon in the MIRT multi-level government meeting in November 2009. It is developed in the context of the aim to strengthen the Randstad area by means of emphasizing diversity. The agenda comes in two parts. Part 1 integrates several national and regional visions and plans into common objectives, an approach and a vision for the Utrecht region. The main ambition is to strengthen the region's sustainable development and economic competitiveness by focusing on 1) housing and urban intensification, 2) improving accessibility and 3) investing in environmental and nature development. The two priority areas are the Utrecht city region and the Amersfoort region. Two other areas which are mentioned concern the Utrecht-West region where Utrecht together with other provinces is focusing on the Green Heart and the WERV area in the eastern part bordering the province of Gelderland, which has taken responsibility for this area. Part 2 provides an overview of the various policy, financial and regulatory issues as well as an complete list of projects and programmes to be addressed in the MIRT multi-level government meeting.

## 3.4 Territorial Agenda South Wing/South-Holland

### 3.4.1 Actor network responsible for the MIRT territorial agenda
The territorial agenda has been jointly drawn up by central government and the South Wing partners. The South Wing partners consist of the province of Zuid-Holland, the urban regions (WGR-plus regions) of *Haaglanden* (municipalities of and around The Hague) and Rotterdam (municipalities of and around Rotterdam), the regions (WGR regions) of *Drechtsteden* (municipalities of and around Dordrecht) *Holland Rijnland* and *Midden-Holland* and the municipalities of The Hague and Rotterdam. At the start of the formulation of the territorial agenda a group of authors was formed within the South Wing organisation. As the Agenda does not cover only the South Wing local authorities outside the South Wing were invited to join the project team.

Two supervising groups were formed: one at the political level, one at the organisational level. In both supervising groups there was a representation from different sectors, although there was a strong focus on spatial planning. Chairperson of the political supervising group was the provincial spatial planning delegate. The agenda was not agreed upon by members of the provincial executive and municipal alderman separately, but by the political supervising group of which executives of the South Wing partners and regions and municipalities were members.

Although this Agenda is the only one which covers only one province it is administratively very complex due to the presence of two major cities, two major urban regions and some other regions (see Figure 8). Some argue that the South Wing Platform is potentially a strong platform, but that it lacks the will to cooperate. Research by Dijkink et al. (2001) confirms this. They concluded that the South Wing deprives an evident and powerful government actor in charge of the South Wing platform and that it shows a weak developed joint administrative orientation towards the South Wing. This lack of joint orientation results in a complex process of prioritisation. In this setting the joint formulation of the agenda can be labelled as positive.

The private and the voluntary sectors did not play a role in the realization of the Agenda. However they had a role in the formulation of sectoral policy and the provincial structure vision on which the Agenda is based.

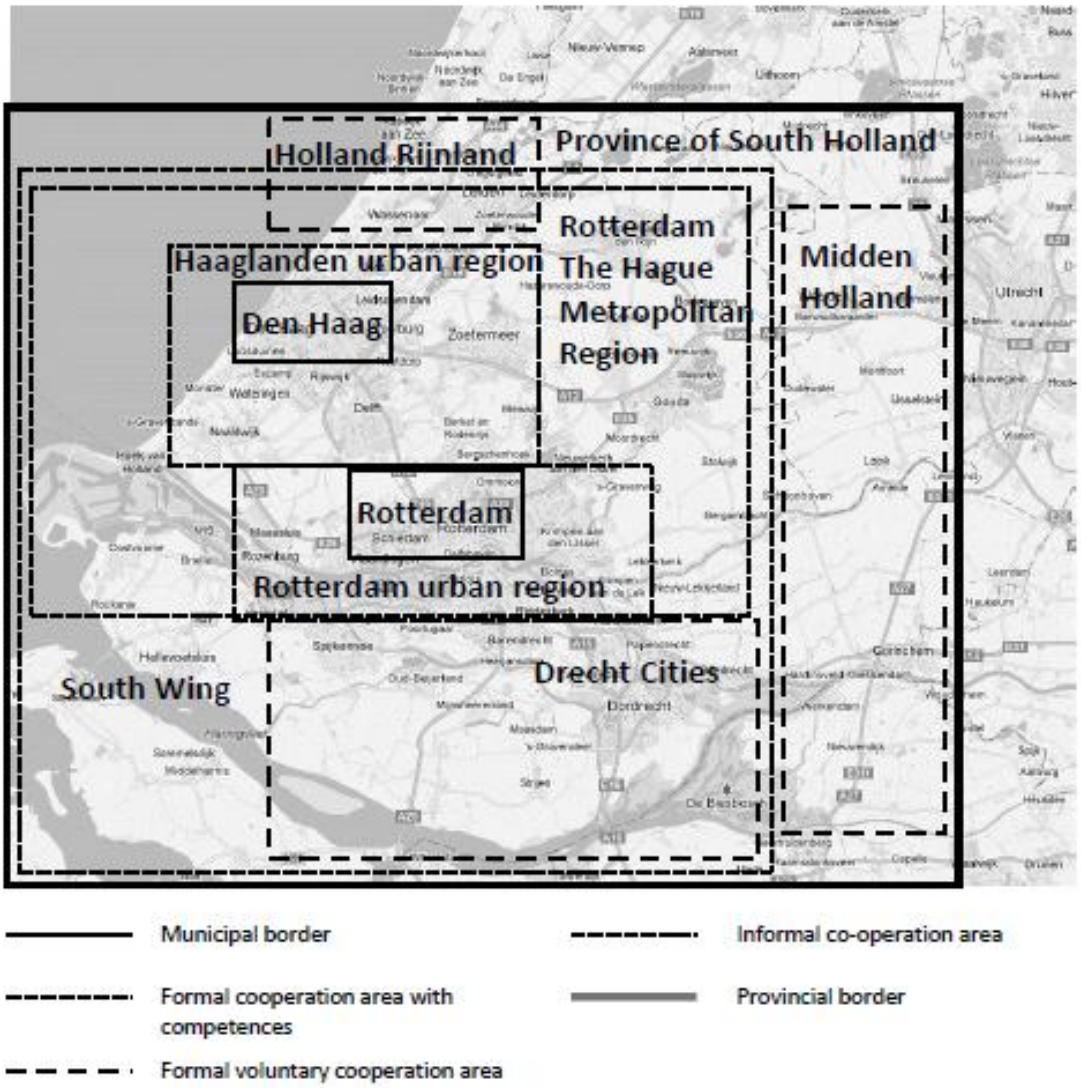
### 3.4.2 Horizontal and vertical relations between policy sectors

The provincial structural vision was in the phase of being approved (July 2010) and five MIRT explorations (first phase of a programme/project) were spread across the province of which the study areas covered much of the South Wing. The province was therefore not very keen on starting this partly overlapping process. Provincial sectoral policy with spatial relevance was plugged into the territorial agenda process via the provincial project organisation. The remaining policy items were then filtered according to relevance in the relation between central and regional governments. Policy objectives which were only relevant for lower tier governments were thus not included in the agenda.

As an example we looked at the way the Economic Agenda 2010-2020 was taken into account in the territorial agenda. The Economic Agenda brings forward that the broad economic structure of nine strong sectors is the strength of the South Wing. The strength lies particularly in the interrelation of these sectors. The broadness of the economic structure and the creation of chances in the overlap between economic sectors has been the input in the territorial agenda.

The focus in the agenda is on the South Wing as about 80-90% of the MIRT budget related to programmes and projects in the territorial agenda of South Holland is located in the South Wing. However the agenda covers the entire provincial area. Policy for the Green Heart and the Southwest Delta areas which are located in more than one province, is put forward in the agenda via the provincial project groups.

**Figure 8: Actor situation MIRT Territorial Agenda South Wing/ South Holland**

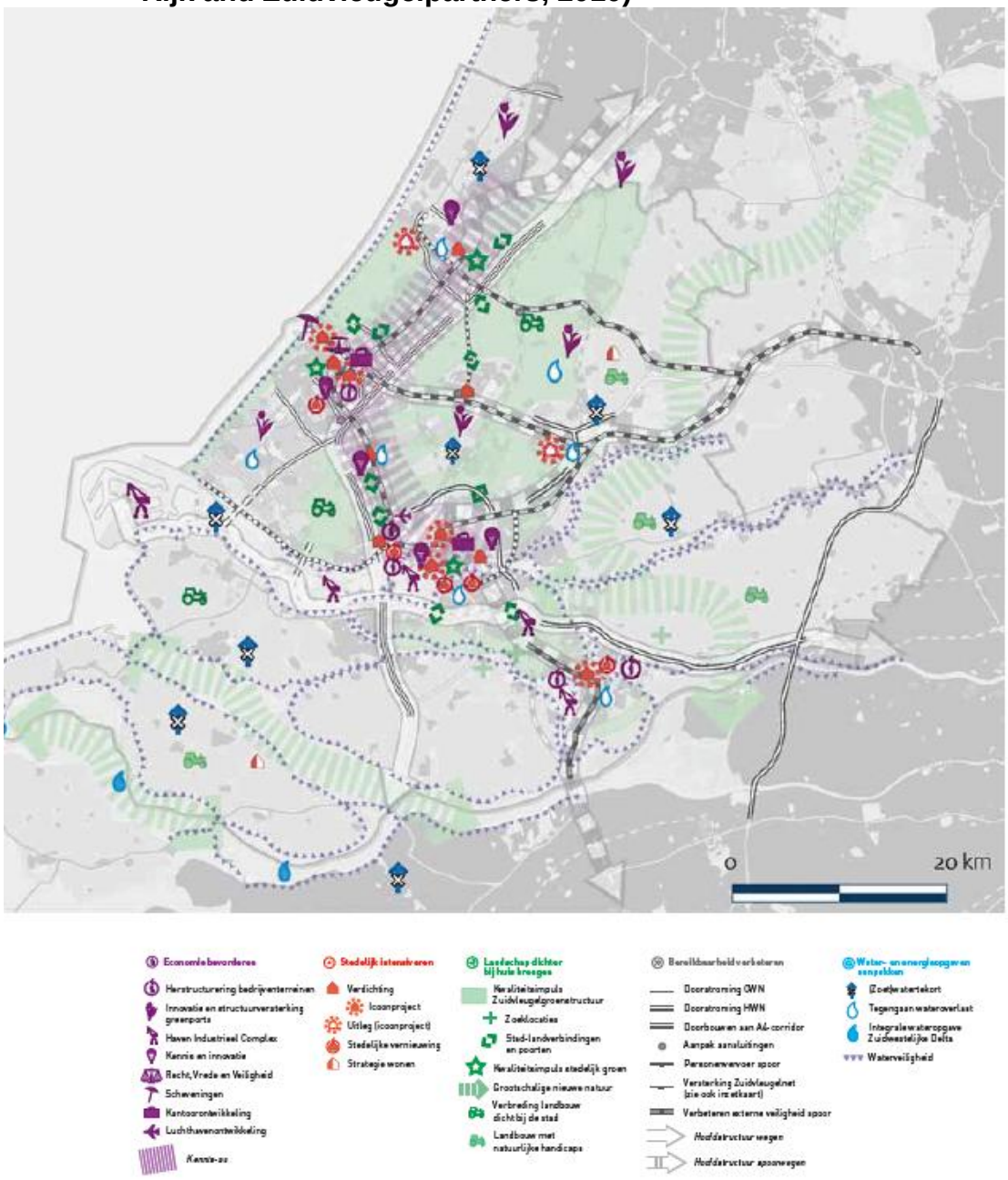



Provincial stakeholders bring forward that they anticipated a more integrated way of prioritising programmes and projects by central government after the change from MIT to MIRT and the introduction of the territorial agenda. The vision is the result of this more integrative approach and the list of projects presents many types of projects and programmes and not only infrastructure projects. But afterwards they felt the focus nevertheless remained on infrastructure. Partly this is due to financial cutbacks and less focus on territorial, nature and landscape objectives and involvement in regional matters (such as regional economy) by the newly installed central government. Infrastructure therefore keeps major attention and resources. Within the field of infrastructure regional actors find that public transport gets too little resources compared to road infrastructure.

The process to get from a joint vision to a prioritised list of projects consisted of three phases. The first phase of putting together a joint vision of central and regional governments was felt to be the easiest part, the third phase of prioritisation of programmes and projects the most difficult. The second phase was the listing of programmes and projects arising from the vision and which

are relevant in the relation between central and regional government (see Figure 9).

**Figure 9: Overview of projects and programmes in the agenda (Source: Rijk and Zuidvleugelpartners, 2010)**




### 3.4.3 Input from statutory documents and policy plans and strategies in the MIRT territorial agenda

As a result of the new Spatial Planning Act all government levels had to adjust their statutory documents according to it since 2008. One is the structure vision which had just been approved in the Province of Zuid-Holland when the territorial agenda was announced. The province describes its objectives and provincial interests in the structure vision, sets the rules for territorial developments in the provincial ordinance for the territory and indicates what is needed to realise this in the implementation strategy and agenda. The

structure vision was approved in 2009, the ordinance for the territory (*Verordening Ruimte* in Dutch) and the implementation strategy and agenda in 2010. The implementation agenda is an elaboration of what is announced in the Spatial Planning Act as implementation paragraphs. Before the province never focussed so explicitly on implementation. Currently the province is further tuning the two processes: one on its statutory documents and the other on the territorial agenda and the MIRT project book. Both have a vision part and an implementation part. Input from non-government actors is predominantly in the statutory documents, whereas the territorial agenda only involves government actors. Apart from the province the municipalities also had to adjust their planning documents to the new Spatial Planning Act.

## 3.5 Territorial Agenda Northwest Netherlands

### 3.5.1 Actor network responsible for the MIRT territorial agenda

The territory of the agenda covers the provinces of North-Holland and Flevoland, but focuses on the Amsterdam Metropolitan Area. The Gooi and Vecht region is addressed in two agendas. Administratively it belongs to the agenda Northwest Netherlands, but functionally there is also a relation with the agenda Utrecht. Both agendas are addressed in one and the same multi-government meeting. This is the only case where more than one agenda is discussed in a multi-government meeting.

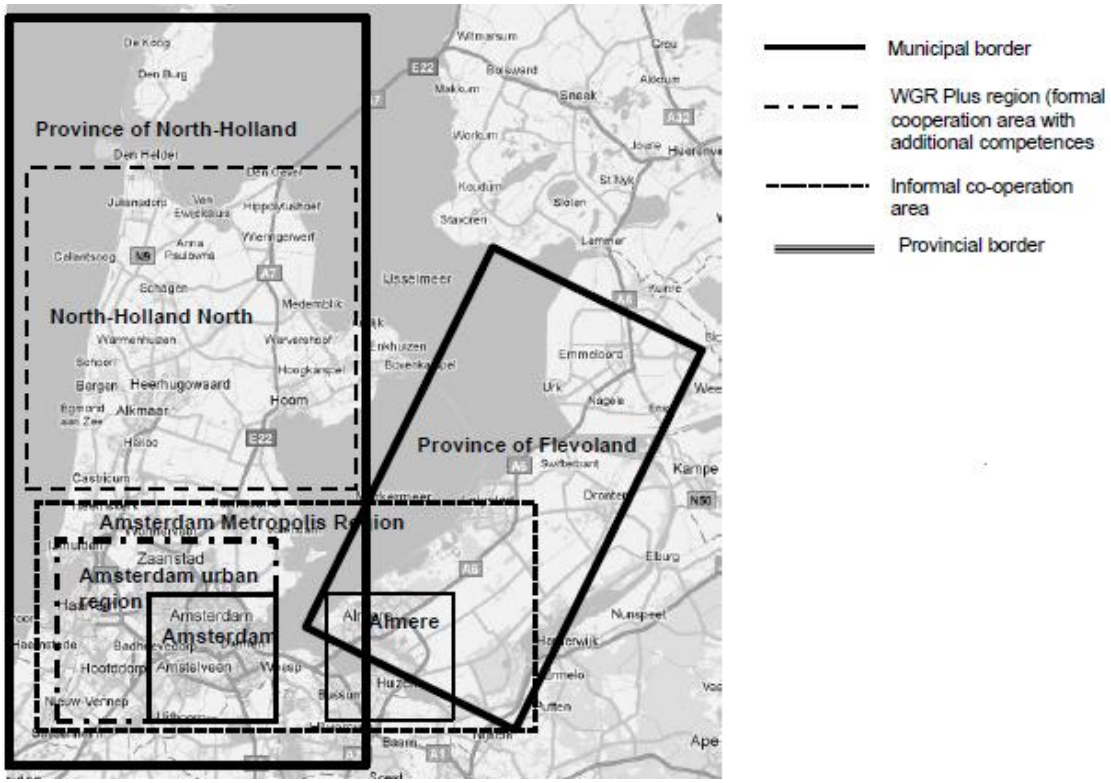
To strengthen the potential of the economic core in this area, the two provinces, the urban region of Amsterdam and 36 local authorities cooperate under the name of Amsterdam Metropolitan Area. Lower tier government in North-Holland North – i.e. Province of Noord-Holland, and the regions of Alkmaar, the northern part of North-Holland and West Friesland – loosely cooperated to plug in relevant policy for this area. In the province of Flevoland the local authorities of Almere and Lelystad participate in the Amsterdam Metropolitan Area. The other local authorities were represented by the province. The province concluded that the projects in this area which were relevant for the MIRT were a provincial responsibility and therefore not necessary to involve the Flevoland municipalities outside the Amsterdam Metropolitan Area. Civic and private stakeholders were not involved in putting together the vision as it was considered a government exercise for a joint vision (see Figure 10).

The territorial agenda was a joint effort by central and regional government. Central government was represented by the ministries of (1) Traffic and Water management, (2) Housing, Spatial Planning and the Environment (including the department of Housing, Neighbourhoods and Integration), (3) Agriculture, Nature and Food Quality and (4) Economic Affairs[6]. There was a project team at national level with representatives from each ministry and coordinated by the representative of the ministry of Traffic and Water Management. Regional government was formally represented in the agenda by the provinces of

[6] This was before a new Cabinet changed the number, names and responsibilities of ministries.

Noord-Holland and Flevoland and the urban region of Amsterdam. Informal coordinator of regional government was the Amsterdam Metropolitan Area, in which these three participate amongst others. But as this is a voluntary and informal government structure it was not chosen as official author of the agenda. The Amsterdam Metropolitan Area considers itself as a soft space.

**Figure 10: Actor situation MIRT Territorial Agenda Northwest Netherlands**



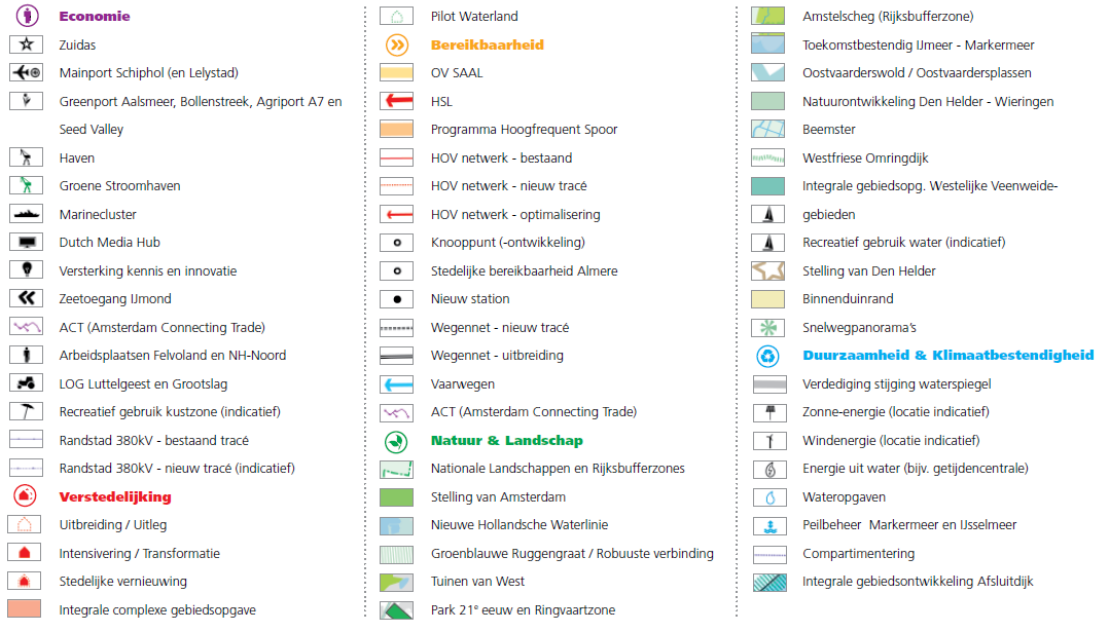

A group of authors was formed to write the territorial agenda, in which all sectors were represented. This group delivered to three platforms which politically handled the agenda in the region. These platforms were the Administrative Platform Accessibility (*Bestuurlijk Platform Bereikbaarheid*), the Administrative Core Group (*Bestuurlijke Kerngroep*) which deals with spatial planning, sustainability etc. and the Platform Regional-Economic Structure (*Platform Regionaal-Economische Structuur*). They each have an integrative character. Decision-making about MIRT subjects and the territorial agenda each pass the regular process: executives at the different levels decide. At the provincial level the agenda also passed the council. After agreement by the public authorities in the region the agenda was decreed upon with central government in a multi-level government meeting.

### 3.5.2 Horizontal and vertical relations between policy sectors

The Structure Vision Randstad 2040 stated that the central ambition for the Randstad is reinforcing its international competitive position. In this territorial agenda this ambition has been translated for the territory of Northwest Netherlands. The focus is on the Amsterdam Metropolitan Area which is located partly in the province of Noord-Holland and partly in the province of Flevoland. No new policy was developed for the purpose of the agenda, but

existing policy with a territorial relevance and existing agreements were listed and put together. Just before the process for the agenda was started, the policy document Ontwikkelingsbeeld Noordvleugel 2040 had been written. This document presents the vision on the Amsterdam Metropolitan Area in the year 2040. The vision in this document was supplemented with the vision on Northern part of the province of Noord-Holland and the area of the province of

**Figure 11: Overview of projects and programmes in the agenda (Source: Stadsregio Amsterdam et al., 2009)**




Flevoland outside of the Amsterdam Metropolitan Area by the two provinces on the basis of existing policy documents. In the case of Flevoland the statutory provincial Environmental Management Plan was used. The structure vision for the province of Noord-Holland was approved in June 2010 and thus after the agenda was finalised.

The themes which are addressed in the agenda are spatial economy, urbanisation, accessibility, nature and landscape, and sustainability and climate adaptation. The projects which are considered crucial in the relation between regional and central government are listed in Figure 11. While respondents on the territorial agenda of South-Wing/South-Holland indicated that there was strong focus on spatial planning in the formulation of their territorial agenda, a respondent on the territorial agenda of Northwest Netherlands replied that the focus on spatial planning was less dominant in the formulation of their agenda. The agenda only provides the basis on which in the multi-level government meeting MIRT decisions are taken about programmes and projects. It has a dynamic character: yearly – or as often as needed – issues can be added or removed in consultation between central and regional government.

Discussion during the process of the agenda focussed on the way in which an agenda and list of prioritised projects could be fleshed out. Central government aimed at a shortlist whereas the region saw this list as breeding ground of potential projects in the long term. Contrary to some other agendas not only central government projects have been listed, but also some regional ones for which central government is not the main responsible, but nevertheless plays a role. As the region considered these projects essential for the integrated vision on the region, they have included in the list of projects. Examples are large regional public transport and road projects which exceed the threshold of 225 million euros.

As the MIRT territorial agenda primarily focuses on spatial elements, the province of Flevoland decided to formulate a complementary socio-economic territorial agenda.

### 3.5.3 Input from statutory documents and policy plans and strategies in the MIRT territorial agenda

Figures 12 and 13 give an overview of national and regional policy documents which were used as basis for the agenda. Within the area of the agenda there is another programme where central and regional government closely cooperate and agree upon: this is the Central-regional government programme Amsterdam-Almere-Markermeer (RRAAM; *Rijk-regioprogramma Amsterdam-Almere-Markermeer*). It is considered as an elaboration of the territorial agenda. Jointly with civic organisations, market parties and involved citizens central and regional government agree how the ambitions in the field housing, transport and ecology may be realized in coherence. A decision by government is expected at the end of 2012.

**Figure 12: Overview of policy documents feeding into the MIRT Territorial Agenda**

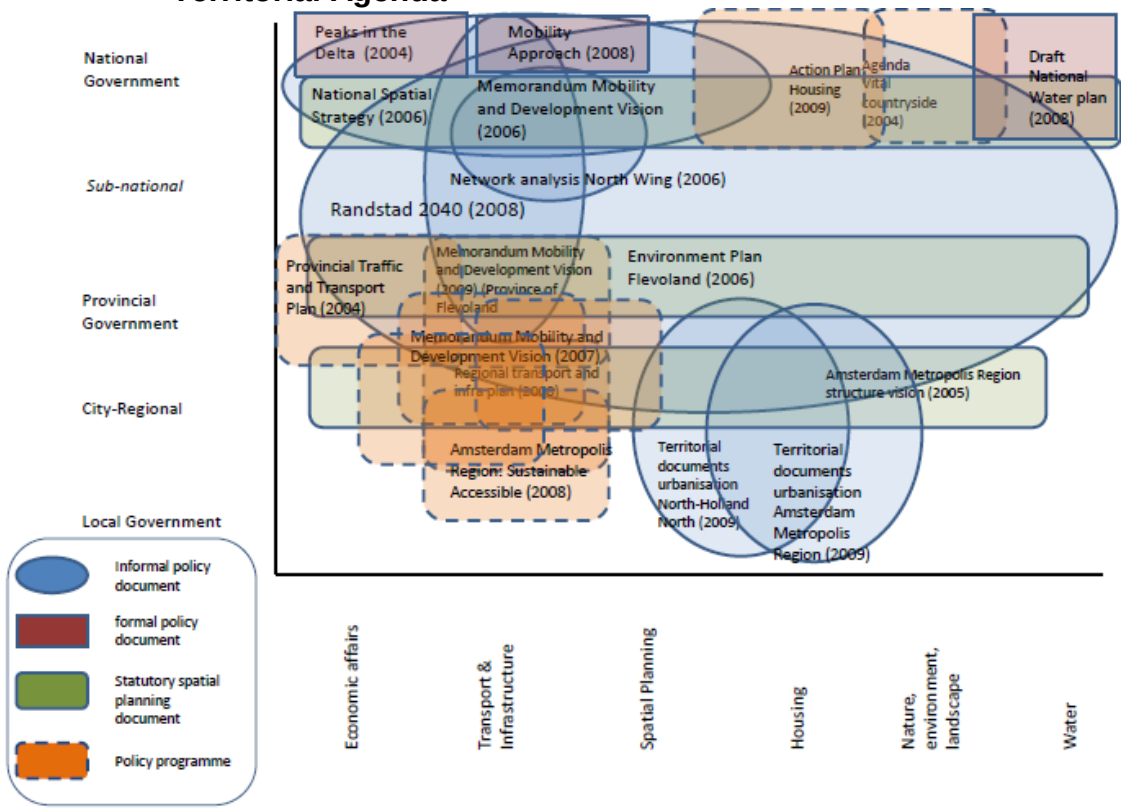



**Figure13: List of policy documents feeding into the MIRT Territorial Agenda Northwest Netherlands (Source: Stadsregio Amsterdam et al., 2009)**

| Title | Description | Year | Author |
|---|---|---|---|
| National Spatial Strategy | Gives a vision on the spatial developments of the Netherlands and the major related ambitions until 2030 | 2006 | Ministry of Spatial Planning, Housing and the Environment |
| Memorandum Mobility and development vision | Elaborates the basic principles in the National Spatial Strategy in the field of mobility and accessibility | 2006 | Ministry of Transport and Water Management |
| Peaks in the Delta | Describes the economic agenda for amongst others the Amsterdam Metropolitan Area, with the aim to make the Netherlands more competitive and economically dynamic | 2004 | Ministry of Economic Affairs |
| Agenda Vital Countryside | Anticipates the change in character, land uses and the esteem of the countryside and the issue of climate change and a dropping soil | 2004 | Ministry of Agriculture, Nature and Food Quality |

| | | | |
|---|---|---|---|
| Network Analysis North Wing | Gives a joint and integral vision on the improvement of the regional accessibility, with a translation into measures | 2006 | Ministry of Transport and Water Management and Amsterdam Metropolitan Area |
| Mobility Approach | Elaboration on the short term (until 2013) and midterm (2020) of the Mobility Memorandum through additional investments and acceleration of decision-making | 2008 | Ministry of Transport and Water Management |
| Draft National Water Plan | Describes measures which have to be taken to keep the Netherlands safe and liveable for future generations and to make most of the opportunities which water offers | 2008 | Ministry of Transport and Water Management |
| Regional Traffic and Transport Plan | Traffic and transport plan for the urban region of Amsterdam: a regional elaboration of the Mobility Memorandum | 2004 | Urban region of Amsterdam |
| Regional public transport as impulse for the Amsterdam Metropolitan Area | Long term vision (2030) for public transport in the Amsterdam Metropolitan Area: elaboration of the Regional Traffic and Transport Plan | 2008 | Urban region of Amsterdam |
| Provincial Traffic and Transport Plan | Traffic and Transport Plan for the Province of Noord-Holland: provincial elaboration of the Mobility Memorandum | 2004 | Province of Noord-Holland |
| Environment Plan Flevoland | This plan addresses strategies from the provincial plan (*streekplan*), environmental policy plan, water management plan and the traffic and transport plan for the provincial territory | 2006 | Province of Flevoland |
| Randstad 2040 | In this structure vision central government addresses long term spatial issues | 2008 | Ministry of Spatial Planning, Housing and the Environment |
| Action Plan Housing Production | Action plan focussed on the housing production until 2020 | 2009 | Ministry of Spatial Planning, Housing and the Environment |
| Memorandum Mobility and development | National memorandum resulted in a joint input by the Metropolitan Area in the Programme Urgent | 2007 | Amsterdam Metropolitan Area |

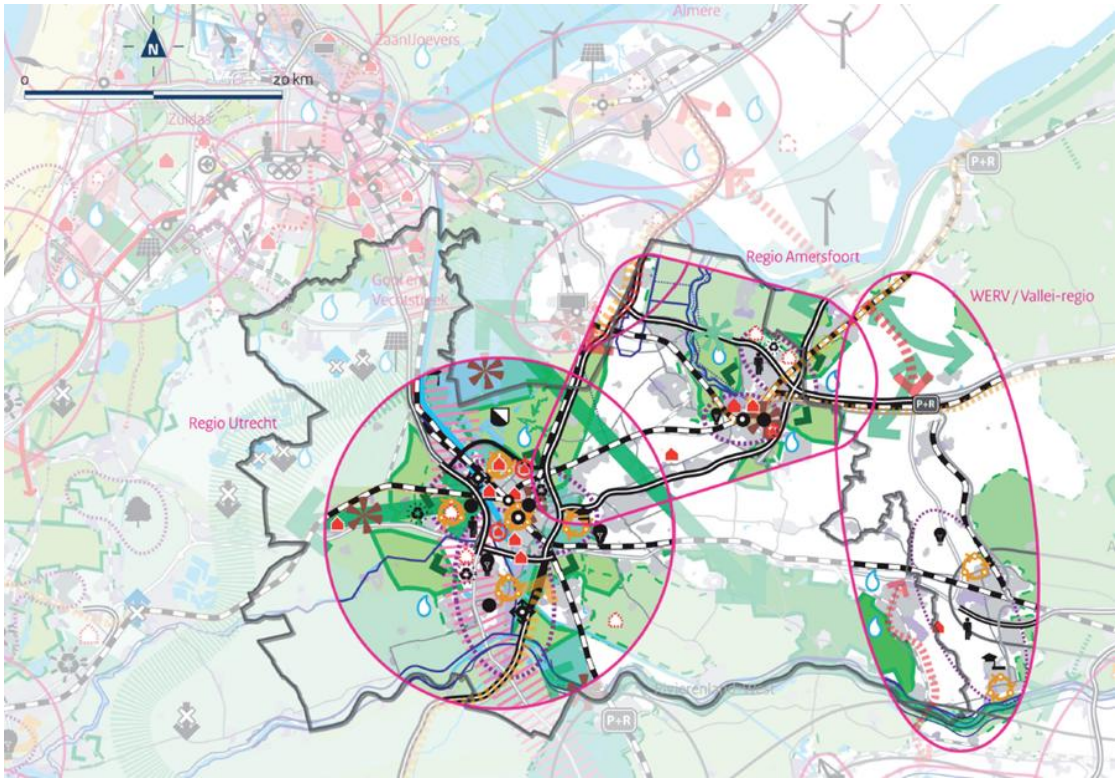
| | | | |
|---|---|---|---|
| vision | Randstad | | |
| Amsterdam Metropolitan Area: Sustainable Accessible | In line with the Mobility Memorandum the Metropolitan Area elaborated the way in which the traffic and transport system as a whole has to develop to meet the Metropolitan ambitions | 2008 | Amsterdam Metropolitan Area |
| Territorial documents Urbanisation Amsterdam Metropolitan Area | The Metropolitan input in the Urbanisation covenant between regional and central government | 2009 | Amsterdam Metropolitan Area |
| Territorial documents Urbanisation North-Holland North | The territorial input in the Urbanisation covenant between regional and central government | 2009 | Province of Noord-Holland and region of North-Holland North |
| Territorial documents Urbanisation Flevoland | Memorandum Mobility and development vision | 2009 | Province of Flevoland |

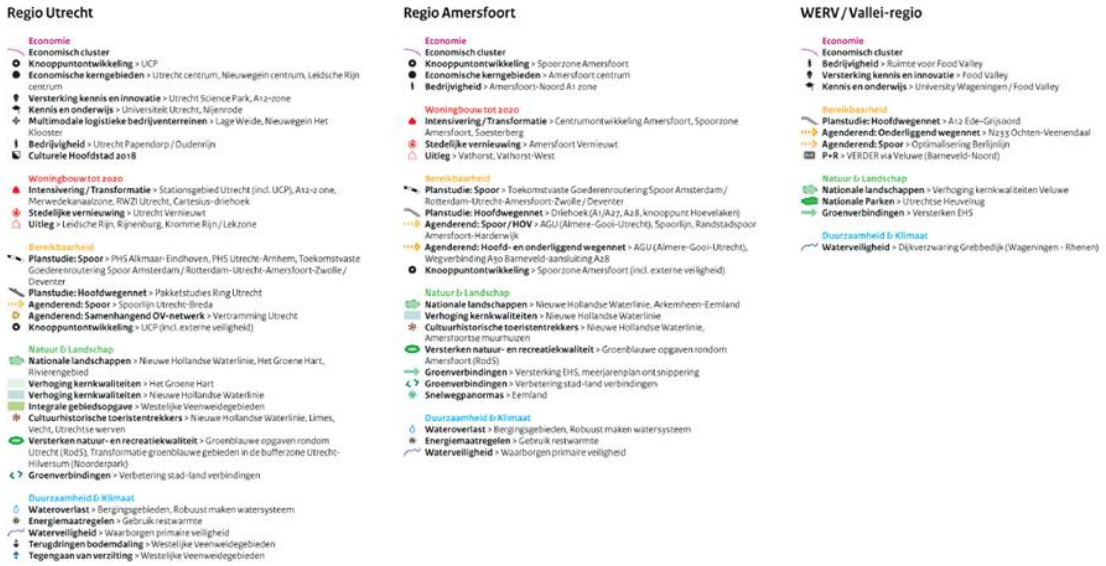
## 3.6 Territorial Agenda Utrecht

### 3.6.1 Borders

**3.6.2** The territory covered by the agenda is physically delimitated and mainly follows the provincial borders except for an area on the northwest provincial border. Here it overlaps with the Territorial Agenda Northwest Netherlands and includes a part of the province of Noord-Holland: the Gooi and Vecht region. The overlap is explained from a functional perspective as the region is important for both the Utrecht and the Amsterdam region. Whereas the area is part of two territorial agendas, a strict separation has been made with regard to projects and programmes, which fall under the responsibility of the province of Noord-Holland. Nevertheless, as explained above the Northwest Netherlands and Utrecht Territorial Agendas and projects are discussed in one and the same MIRT multi-level government meeting. Towards the east the Utrecht province borders the province of Gelderland. Here in particular the Food Valley region or so-called WERV area (Wageningen, Ede, Rhenen and Veenendaal) is relevant. However, whereas Veenendaal is part of the

**Figure 14: Map of 2011 projects in the Utrecht region (source: Ministerie van Verkeer en Waterstaat, 2010)**

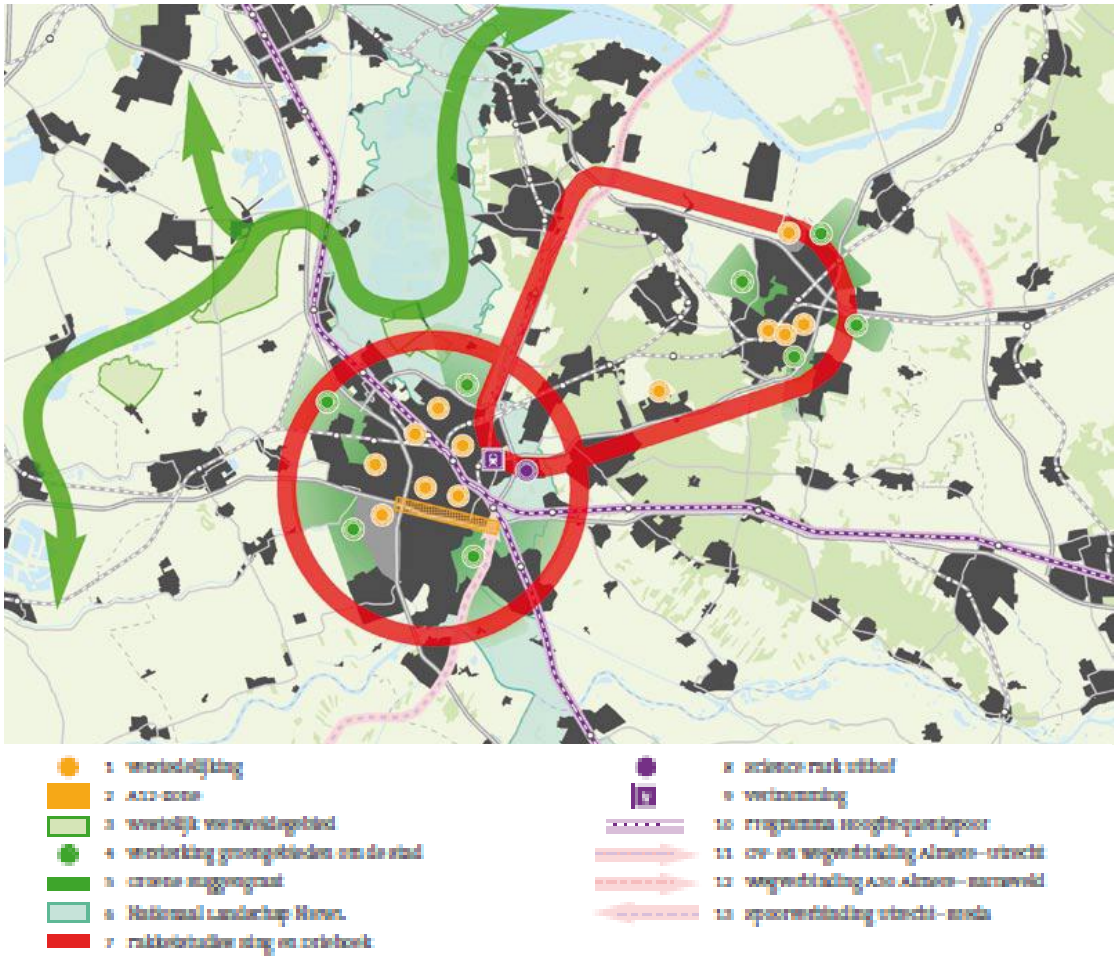





province of Utrecht, and therefore some coordination has taken place between the two provinces, the initiative fully lies with the province of Gelderland.

According to the respondents the borders of the area should be considered soft when speaking about the agenda document, but hard when speaking about the accompanying MIRT project list. The latter follows strict administrative boundaries for the simple reason that agreements have to be made between various tiers of government. In contrast though, the agenda – and the vision part of it – is much more determined by thematic and functional territorial relations. Figure 14, which is taken from the MIRT project book of 2011 (for comparison: Figure 15 shows the official map from the Territorial Agenda Utrecht of 2009), clearly shows the difference between hard borders relating to the provincial border (marked by a thick black line) and projects to be found in the highlighted areas and the soft borders by indicating the ambitions and functional relations on a wider territorial scale. For the centrally located province of Utrecht this easily translates into a wider territorial view, moving across borders. It was, for example, frequently acknowledged by respondents that there are many functional relationships with the Amsterdam area. But also is it recognised that there are connections to the east around

**Figure 15: Projects and programmes of the Territorial Agenda Utrecht (Rijk et al., 2009)**



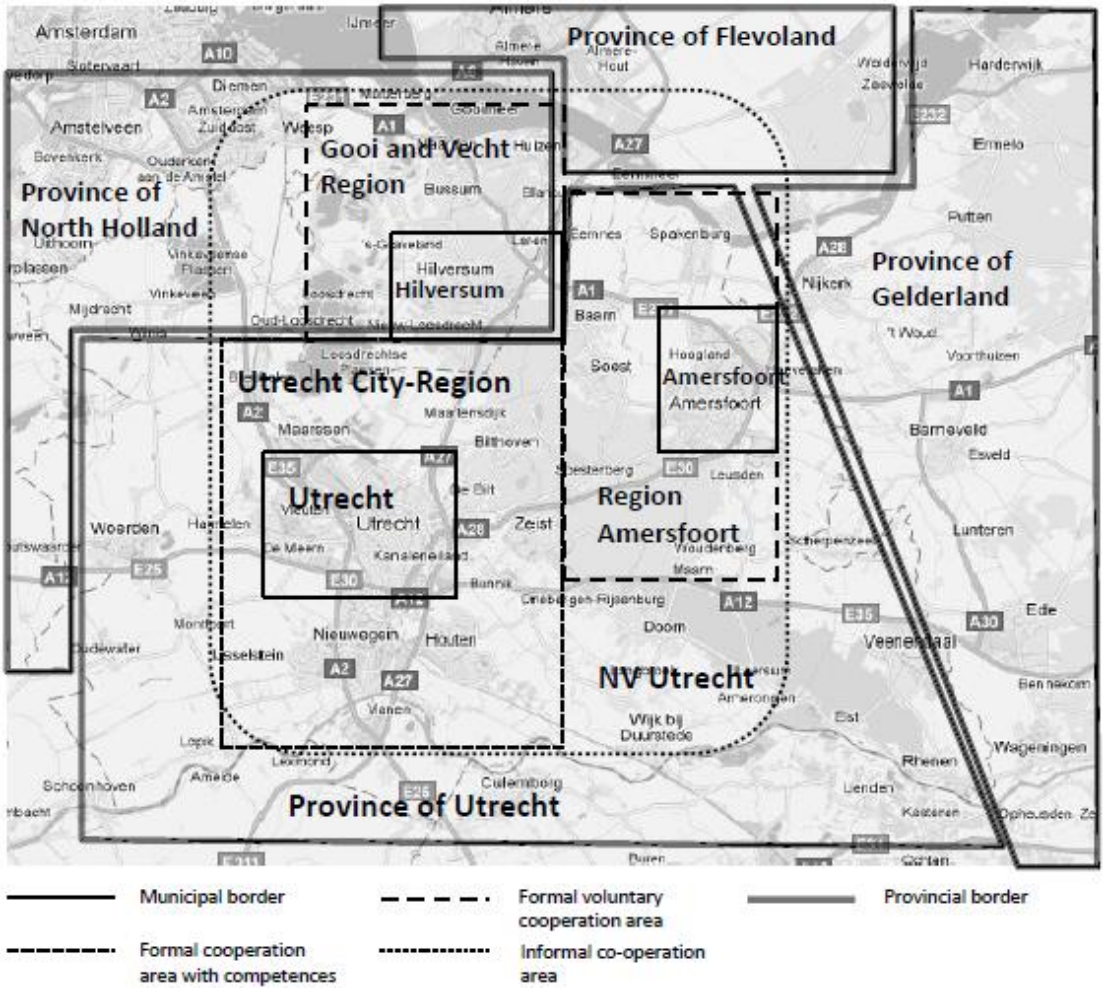
the Valley area and in particular to the north to Almere where 60.000 houses are foreseen to relieve urbanisation pressure in both the Amsterdam and Utrecht regions.

### 3.6.2 Actor network responsible for the MIRT territorial agenda

As indicated the MIRT territorial agendas exclusively are a government affair. No private or civic stakeholders are involved (they may have been involved in earlier policy development processes feeding into the territorial agendas though). The national government is represented by the ministries of Transport and Water management (V&W) and Housing, Spatial Planning and the Environment (VROM)[7]. From the regional level the province of Utrecht was involved. At supra-municipal level three bodies are involved: City-region Utrecht, Region Amersfoort and the Region Gooi and Vecht. From the local level the authorities of Utrecht, Amersfoort and Hilversum participated. Both Hilversum and Gooi and Vecht region took a role on side-line, because of their parallel involvement in the Territorial Agenda Northwest Netherlands. Figure 16 provides an overview of the actor situation.

[7] As from 2010 with a government change these two ministries have been merged into the ministry of Infrastructure and the Environment (the Dutch acronym being: I&M).

**Figure 16: Actor situation MIRT Territorial Agenda Utrecht**




The Utrecht agenda was written in 2009 and decreed by the MIRT multi-level government meeting on 3 November 2009. It should be emphasised that the MIRT Territorial Agenda Utrecht, just as all MIRT territorial agendas, is separately agreed upon by each of the participating stakeholders: the province, municipalities and ministers. In the case of Utrecht the document has not been made subject to approval by each of the municipal councils involved. Councils in the city region Utrecht have approved the document, whereas the Amersfoort region has decided not to consult all municipal councils, after all, they reasoned, the territorial agenda is based on existing policies. The provincial council nevertheless has been involved. In this sense the official status of the document remains that of an agreement between the national government and lower tier public administrations, rather than an officially approved formal policy.

Representatives of the governmental stakeholders mentioned actively have developed the territorial agenda and do also participate in the half-yearly MIRT multi-level government meetings. Most stakeholders have been represented by one person. The province of Utrecht is represented by two persons, one from the spatial planning department, one from the transport and infrastructure department. The same is happening at the national level. At

lower levels we see only one person representations; usually these persons are from the spatial planning unit. In the context of the territorial agenda and the MIRT multi-level government meetings relevant policy sectors such as economic affairs, environment, agriculture and water are consulted. This is happening at each administrative level.

Following the respondents the writing process of Territorial Agenda Utrecht was a smooth affair (getting from ambition to concrete projects turned out to be more difficult). Few if any issue stirred debate and stakeholders easily could reach consensus over the ambitions of the vision document. This is explained by referring to two policy development processes which took place in the years before and are now combined in the territorial agenda: the Development vision 2015-2030 (*Ontwikkelingsvisie 2015-2030)* and the Utrecht traffic and transport meeting (UVVB; *Utrecht Verkeer- en Vervoerberaad)*.

The *Ontwikkelingsvisie 2015-2030* which was agreed upon in 2009 by all relevant local and regional councils concerns a strategy for housing development in the Utrecht province until 2030 and was written to answer the question posed in 2006 by the minister of housing and spatial planning how Utrecht aimed to cope with the future demand of 54.000 houses. This number already excludes the 60.000 houses to be built in Almere, 15.000 of which should cater for the Utrecht the region. The vision is authored by the so-called NV Utrecht[8], which is composed of the same network of public stakeholders that later on drafted territorial agenda with the limitation that the NV Utrecht only involves spatial planning representatives. It has been in the development of this vision that many stakeholders, public, private and civic, have been consulted. The resulting consensus and vision has been translated into the territorial agenda.

[8] NV refers to *Noordvleugel*, i.e. North Wing of the Randstad. At the same time it refers to the more common *Naamloze Vennootschap*, which translates as public limited company (plc) in UK-English or Inc (incorporated) in US-English.

In terms of horizontal integration the origin of the NV Utrecht may be of interest in a sense that it only emerged as a reaction on the separation of Utrecht from the North Wing cooperation. Once this had occurred the Utrecht city region, the various municipalities and the province realized that they did not stood a chance of receiving any national funding, unless they jointly addressed the national level. Whereas the Utrecht stakeholders had always been unable to define common objectives while participating in the North Wing Cooperation, suddenly, when they were on their own they realized they had no other choice than to cooperate. In this cooperation the national government was portrayed as the common enemy.

Similarly the *Utrechts Verkeer- en Vervoerberaad* (UVVB) has been meeting as from mid-2000 in the context of the earlier mentioned Randstad Urgent Programme[9] and discusses issues related to congestion and accessibility in the region. The UVVB network fully overlaps with that of the territorial agenda except for the inclusion of the Eemland area and *Rijkswaterstaat*, the national infrastructure and water works executive and the fact that stakeholders are only represented by their infrastructure representatives. Two main products of the UVVB include firstly an analysis of the infrastructural situation in the Utrecht area and, secondly, a multi-level government agreement which allocates a rough 3 billion euro to infrastructure and transport development in the Utrecht region until 2020. This has been translated in a policy package named VERDER (which translates as 'further') of end 2008 presenting a first number of measures to be taken in order to sustain and improve the region's accessibility by 2020. The VERDER package has been subject to consultation by a so-called stakeholders panel, which includes private and civic organisations, and a citizens panel consisting of some 25 inhabitants of the region. Also the various versions have been discussed with various neighbourhood panels. The VERDER initiative has since then been elaborated and is still on-going.[10]

[9] The project was indicated under the name '*Draaischijf Utrecht*', which merely refers to the roundabout function of the Utrecht region for the Netherlands.

[10] See: http://www.ikgaverder.nl/home/

Basically it has been these two networks, the NV Utrecht and the UVVB, and their policies that have been merged into the territorial agenda. The agenda complements the resulting consensus with issues taken from the nature, landscape development and water policy domains. Both the NV Utrecht and the UVVB have been operating within the context of a national policy programme, i.e. Randstad Urgent. It has been via this band that vertical coordination with in particular the ministers of spatial planning and transport and infrastructure has taken place. This experience, too, helped drafting of the territorial agenda.

### 3.6.3 Horizontal and vertical relations between policy sectors

The agenda is developed in the context of the aim to strengthen the Randstad area by means of emphasizing diversity. The agenda comes in two parts. Part 1 integrates several national and regional visions and plans into common objectives, an approach and a vision for the Utrecht region. The main ambition is to strengthen the region's sustainable development and economic competitiveness by focusing on 1) housing and urban intensification, 2) improving accessibility and 3) investing in environmental and nature development. The two priority areas are: the Utrecht city region and the Amersfoort region (Figure 15). Two other areas of importance concern the Utrecht-West region and the WERV area (Figure 14), but these regions are not part of the MIRT multi-level government meetings since they concern either purely provincial matters (Utrecht West) or are taken care of by another province (Gelderland in this case). Whereas these areas are mentioned in the ambition part of the territorial agenda, they do not play a role in the multi-level government meetings. Part 2 provides an overview of the various policy, financial and regulatory issues as well as an complete list of projects and programmes to be addressed in the MIRT multi-level government meeting.

In terms of horizontal and vertical coordination it can be noted that Part 1 of the agenda could be drafted fairly easily and quickly without much need for negotiation between stakeholders. According to our respondents this can be explained from the fact that the vision is both non-binding and exclusively based on existing policies. In other words, the territorial agenda does not aim to develop any new policies.

With regard to developing Part 2 of the territorial agenda, the list of projects, it has been noted by respondents that this was and still is more difficult. In contrast to the vision part the list of projects has direct policy consequences in terms of priority, status and allocation of, in particular, national budgets. The list is subject to further development and negotiation during each multi-level government meeting every half year. Here both on the vertical and on the horizontal level negotiations take place. Although reference is made during these negotiations to the vision part of the agenda, and although there is quite broad consensus among the stakeholders, the project list remains politically sensitive. Yet, once agreement has been reached the list starts to function as a point of reference, with the agenda fading to the background. The list creates transparency as regards when which project will be addressed and how. It enables stakeholders to mutually remember each other about scheduled tasks and commitment. In so doing, and this is regarded the major added value of the MIRT territorial agenda and project lists, it creates trust and rest between the stakeholders, vertically as well as horizontally.

So far it is not possible to distinguish between projects that have been more politically sensitive than others. Nor is it possible to indicate which topics have been more difficult to agree upon in the context of the vision part of the agenda. What is clear though is that in particular around border areas, in this case the provincial border with North-Holland where the Gooi and Vecht region is located, it is more difficult to come to agreements. With regard to the Gooi and Vecht region Utrecht stakeholders asked for better public transport services, in particular to better connect Utrecht with Almere. This being the competence of the province of Noord-Holland required additional effort and negotiation from the Utrecht stakeholders to convince the province of Noord-Holland.

In terms of added value by means of mainly horizontal integration it can be noted that by merging the various sectoral territorial claims, objectives and projects, in particular those developed by the UVVB and NV Utrecht, led to a more complete picture of both the ambitions for the area and the measures taken to realise them. Before the territorial agenda such a picture did not exist. For some of the stakeholders concerned the exercise made clear that some ambitions would be difficult to reach with the current set of projects. They sensed a gap. At the same time the agenda also made clear how particular projects contributed to achieving multiple ambitions and objectives. This in turn raised support for these projects.

As regards vertical integration it has been noted by some respondents that the territorial agendas and half yearly multi-level government meetings facilitate the trickling down of national discourse and helps new concepts and principles to be introduced in the regional debate. Examples of this concern the so-called 7-junction of Verdaas[11] and the SER ladder (SER refers to: Council for Social and Economic Affairs), both referring to methods to decide step-wise if and when to develop new infrastructure or allocate open land to housing respectively.

### 3.6.4 Input from statutory documents and policy plans and strategies in the MIRT territorial agenda

As indicated in the MIRT Territorial Agenda Utrecht itself it has been informed by a wide range of policy documents (BO MIRT 2009, pp. 54-55). This includes formal and informal policies, visions, strategies and programmes at all administrative levels and from a variety of policy sectors. In total 25 policies have been mentioned. Some documents have been made specifically for the MIRT process, others were there already. As indicated above the Development Vision 2015-2030 has been most important together with the several transport related documents. It is difficult, based on the analysis and stakeholder interviews, to allocate weights to specific policy schemes or documents and determine which have been more influential than others. Perhaps interesting to note is the relative absence of statutory spatial planning policy documents.

Figure 17 attempts to provide full picture of the various policy documents, their sectoral scope and administrative involvement (a list of all the documents can be found in Figure 18). The sheer overlap between documents and policies indicates at least two things: the governance thickness in the area and, if anything, the need for some kind of coordination between the various policies which all have some kind of territorial component. Also Figure 18 indicates the substantive scope and governance reach of the MIRT Territorial Agenda Utrecht.

[11] In Dutch: *De zevensprong van Verdaas*

**Figure 17: Overview of policy documents feeding into the MIRT Territorial Agenda Utrecht**

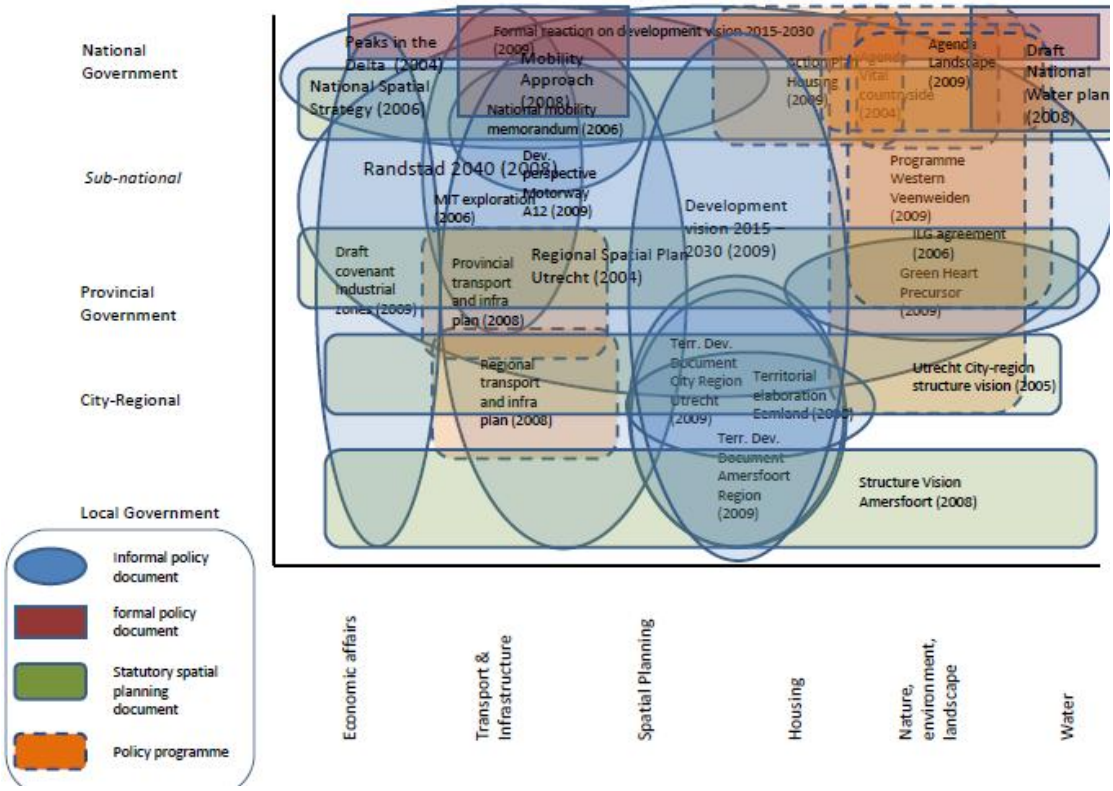



**Figure 18: List of policy documents feeding into the MIRT Territorial Agenda Utrecht (Source: Rijk et al., 2009)**

| Title | Description | Year | Author |
|---|---|---|---|
| Development Vision North Wing Utrecht 2015-2030 | Spatial development vision for the North Wing Utrecht in the context of the Randstad Urgent project sustainable housing development. | 2009 | Multi government meeting North Wing Utrecht |
| National reaction on draft development vision NV Utrecht | Formal view on development vision of the ministries of Economic Affairs (EZ), of Agriculture, Nature and Food safety (LNV), of Infrastructure and Water Management (V&W), of Housing, Spatial Planning and the Environment(VROM) | 2009 | Ministry of Housing, Spatial Planning and the Environment (MHSPE) |
| Territorial development | Territorial input urbanisation agreements | 2009 | City region Utrecht, Utrecht municipality, |

| | | | |
|---|---|---|---|
| document urbanisation City-region Utrecht | | | Utrecht Province |
| Territorial development document urbanisation region Amersfoort | Territorial input urbanisation agreements | 2009 | Amersfoort region, Municipality Amersfoort, Utrecht Province |
| Draft covenant industrial zones 2010-2020 | | 2009 | Association of Provinces, Association of Dutch Municipalities, National government |
| Development perspective motorway A12 | Ambition for sustainable urbanisation in A12 motorway zone | 2009 | City-region Utrecht, Utrecht Province, municipalities Utrecht, Nieuwegein and Houten, Ministry of Spatial Planning, Housing and the Environment |
| Action plan Housing production | Action plan focussed on the housing production until 2020 | 2009 | Ministry of Spatial Planning, Housing and the Environment |
| Green Heart Precursor | | 2009 | Provinces North-Holland, South-Holland and Utrecht |
| Programme Western Veenweiden | Business case restructuring and transition Western Veenweiden | 2009 | 5 directors meeting National Spatial Strategy, Ministry of Agriculture, Nature and Food Quality, Programme agencies Low Holland and Green Heart |
| Agenda Landscape | | 2009 | Ministry of Agriculture, Nature and Food Quality and Ministry of Spatial Planning, Housing and the Environment |
| Mobility Approach | Elaboration on the short term (until 2013) and midterm (2020) of the | 2008 | Ministry of Transport and Water Management |

| | | | |
|---|---|---|---|
| | Mobility Memorandum through additional investments and acceleration of decision-making | | |
| Draft National Water Plan | Describes measures which have to be taken to keep the Netherlands safe and liveable for future generations and to make most of the opportunities which water offers | 2008 | Ministry of Transport and Water Management |
| Randstad 2040 | In this structure vision central government addresses long term spatial issues | 2008 | Ministry of Spatial Planning, Housing and the Environment |
| Regional Transport and Infrastructure plan | Regional elaboration of national Mobility Approach | 2008 | City-region Utrecht |
| Strategic Transport and Infrastructure plan Province Utrecht 2004-2020 | Provincial elaboration of National Mobility Approach | 2008 | Province Utrecht |
| Integrative territorial elaboration Eemland | Exploration in the context of the Development Vision 2015-2030 for the Eemland region | 2008 | Multi-government meeting North Wing Utrecht |
| Structure Vision Amersfoort | | 2008 | Municipality Amersfoort |
| National Spatial Strategy | Gives a vision on the spatial developments of the Netherlands and the major related ambitions until 2030 | 2006 | Ministry of Spatial Planning, Housing and the Environment |
| Memorandum Mobility and development vision | Elaborates the basic principles in the National Spatial Strategy in the field of mobility and accessibility | 2006 | Ministry of Transport and Water Management |
| ILG government agreement 2007- | Agreement on national objectives nature, Ecological Main structure, | 2006 | Ministry of Agriculture, Nature and Food Safety, |

| | | | |
|---|---|---|---|
| 2013 between national government and province Utrecht | Natura 2000, National parks and landscapes, leisure etc. | | Ministry of Spatial Planning, Housing and the Environment, Ministry of Transport and Water Management and Ministry of Education, Culture and Science |
| MIT exploration network analysis region Utrecht | Analysis provides joint and integrative vision for improving the regional accessibility, with translation into measures | 2006 | Ministry of Transport and Water Management and UVVB |
| Regional Structure Vision Utrecht | Vision and ambitions for territorial development | 2005 | City-Region Utrecht |
| Peaks in the Delta | Describes the economic agenda for amongst others the Amsterdam Metropolitan Area, with the aim to make the Netherlands more competitive and economically dynamic | 2004 | Ministry of Economic Affairs |
| Agenda Vital Countryside | Anticipates the change in character, land uses and the esteem of the countryside and the issue of climate change and a dropping soil | 2004 | Ministry of Agriculture, Nature and Food Quality |
| Regional Spatial Plan Utrecht 2005-2015 | | 2004 | Province Utrecht |

## 3.7 Findings and comparison between the three MIRT territorial agendas

We looked into more depth at the three MIRT territorial agendas in the Randstad. Although there are many similarities between them and the three agendas serve the same purpose, there are also differences in process architecture, form etc. In this section we will briefly analyse the strategy and focus on the characteristics of this strategy in pursuing horizontal and vertical integration of territorial related policy and implementation. What is the added value, what are positive and negative aspects and which conditions apply when using this strategy?

*The added value of policy neutrality*
As an instrument for stimulating integrative regional development the MIRT territorial agendas fulfil a specific role amidst a wide array of other formal and informal policy documents and programmes. Rather than developing new policies, MIRT territorial agendas only combine existing policies. According to respondents it is exactly this condition ('no new policies') that makes it possible to develop the agendas and to give them added value over existing policies. From a governance perspective this condition makes it possible to involve only a limited amount of key stakeholders. From a substantive perspective it becomes easier to reach consensus with regard to the overall vision, objectives and ambition of the document.

Interestingly, it is exactly the combining of relevant aspects of existing policies for a given MIRT region that according to the respondents creates added value. The emerging overall impression of scheduled territorial development projects within a given region makes it clear to stakeholders how projects are mutually related and potentially impact upon one another. Also it becomes clear whether the ambition level for the region is realistic given the set of territorial development projects. Reassessing planned projects from a regional perspective enables a stronger focus on the desired regional development.

*Emphasis on vertical integration*
A second aspect which makes the MIRT territorial agenda different from other integrative policy documents is its gestation process in a multi-level government context. Whereas the focus is on the regional level, the process includes stakeholders from all formal and informal government levels: from the municipal level (in the case of larger cities), the supralocal level (i.e. informal and formal cooperation bodies between neighbouring municipalities), to the formal provinces and the national government. The EU level, for example by means of the Operational Programmes, is completely absent in the territorial agendas. Be that as it may, in particular the representation of the national state (which budgets are significantly larger than those of other administrative levels) is considered important by the respondents, since this allows for developing a joint vision on the future of the region that is shared at regional/local as well as the national level.

This vertical multi-level process materializes in the so-called project list that accompanies the MIRT territorial agendas. This project list contains all the relevant territorial development projects for the region in which the national government will be involved financially (projects for which no national

involvement is required hardly ever appear on the list[12]). The list differentiates between projects to be carried out on the short term and on the mid and long term. In case of the latter the project list is still useful as it indicates when, at what moment in time, the negotiations, research and talks around a specific project will start. The result is transparency for all government levels as regards the timing of projects and their role in them. In so doing, according to many of the respondents, the MIRT territorial agenda and the accompanying list of projects create relative rest between the levels of government. This makes the MIRT territorial agendas unique in the Dutch context, as there are only very few integrative territorial strategies which combine the complete stretch from vision to actual projects on the short term.

It has to be emphasised though that the rest between governmental levels is only relative and depends on the extent to which real negotiations between government levels have taken place. In case of first general agreements on the ambition of a region the 'rest' concerns the common understanding of the structuring of the development of a particular area. In such cases, as a respondent of the national level indicated, the national government is no longer caught by surprise due to provincial requests. It requires thorough and often tough negotiations, however, to reach detailed agreements about which project, when and how will be implemented. It is only then that rest between governmental levels may occur. Visioning alone is not sufficient for that.

*Limited horizontal integration*
In contrast to more standard spatial vision documents the focus of the MIRT territorial agendas is, as indicated above, not primarily on horizontal integration of various (sectoral) policy objectives. Despite of this, horizontal integration does play a role. Driven by the contextual process architecture laid down in the so-called MIRT programme, the MIRT territorial agendas necessarily combine transport and infrastructure development objectives with spatial planning objectives. As indicated this is in contrast to the former MIT programme in which *Ruimte* (i.e. territory) did not play a role and the focus was exclusively on transport and infrastructure projects. As a result of the new programme a minimal degree of horizontal integration is achieved in any case. Often, however, the integrative character of the MIRT territorial agendas is raised above this minimum level.

Integration between transport and infrastructure objectives on the one hand and territorial development/spatial planning objectives on the other leads to a (more) integrated, or at least co-ordinated, perspective on the desired territorial development. In so doing each of the analysed territorial agendas addresses a variety of issues which goes beyond the infrastructure and territory proper. For example, each of the agendas puts sustainable development at its core. This is subsequently translated in measures in the fields of housing and urban intensification, in improving accessibility and in strengthening the green and blue natural networks. The result would be a

[12] There are slight differences between agendas in this respect. In the one of Northwest Netherlands also regional projects without central government leadership are listed, whereas this is not the case in the other two.

sustainable as well as economically viable region. MIRT thus translates also into attention for water related objectives (which is not coincidental as in the Netherlands the execution of infrastructure and water projects are combined in the *Rijkswaterstaat* organisation, the executive arm of the Ministry of Infrastructure and the Environment) as well as green and economic development objectives. Issues related to social and employment policy have not become part of the agendas. Yet, when the process goes along and enters the project negotiation phase in which detailed decisions need to be made, in practice it turns out that the focus often narrows to the (expensive) infrastructure projects as these are prioritized by the national funding mechanism, and that other interests, such as nature, quickly get lost in the process.

During the agenda making process the substantive integration of policy objectives, which can be merely understood as co-ordination, also translates into organisational arrangements at each of the involved government levels. The content of the territorial agendas (as well as subsequent MIRT multi-level governmental meetings) is discussed and co-ordinated at each governmental level among representatives from the policy sectors economic affairs, environment and nature development, water and soil, transport and infrastructure and spatial planning (the actual label of departments varies from authority to authority). They meet in sounding boards chaired by representatives of the spatial planning and infrastructure departments. In cases, when less important decisions are on the agenda of the MIRT multi-level government meetings, co-ordination takes place on a lower level of intensity by simply disseminating (mostly by e-mail) the input for the meeting. Sector department representatives then may react but are not obliged to do so.

*Navigating territorial borders*

Two of the three analysed MIRT territorial agendas stretch across provincial borders. In the case of Utrecht a small part of the province of North Holland is included, whereas the Northwest Netherlands agenda fully covers two provinces. Cooperation over territorial borders usually adds complexity to the process. In the context of MIRT this has consequences in two directions.

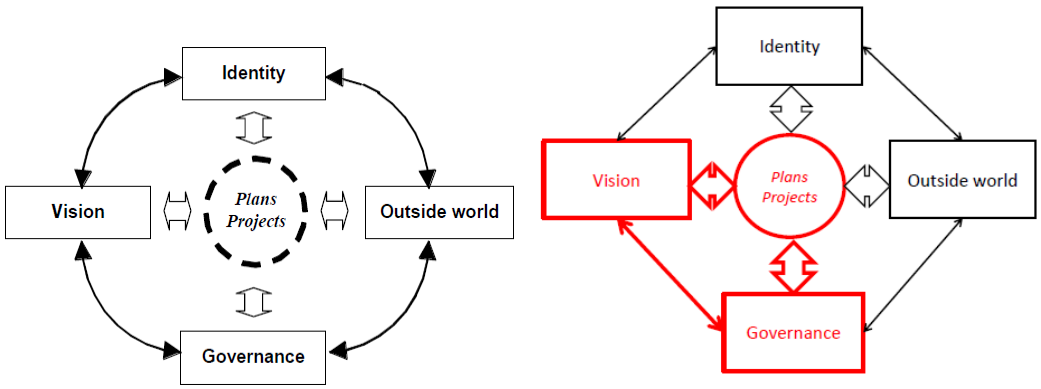
One consequence is that a strict separation is made in terms of responsibilities between the contents of the territorial agenda and the MIRT project lists. For example, whereas the Gooi and Vecht region participates in the Utrecht territorial agenda in which ambitions are laid down, it exclusively turns towards the provincial executive of Noord-Holland when projects are concerned. Nevertheless, along borders it remains more difficult to arrive at consensus and concrete projects because in particular the responsibility for investments always rests with one stakeholder along the border, depending on whose side of the border a project is located, whereas the benefits are shared between two or more stakeholders including those on the other side of the border.

A second, more positive consequence, or rather effect, of provincial borders in MIRT areas concerns the horizontal integration not only of policies, but also of

provincial stakeholders' ambitions and agendas. This is in particular true in the case of Northwest Netherlands where the territorial agenda has created a joint frame of reference between the two provinces of Noord-Holland and Flevoland. In practice, and similar to the vertical integration between stakeholders addressed above, the agenda can be used to keep one another alert and in this sense creates trust and rest between the two provinces.

Concluding, territorial agendas do not include new policy, but integrate and combine existing policy objectives which are laid down in regional and national planning and sectoral policy documents, into one regional territorial agenda. It thus gives a clearer perspective on (1) regional policy objectives and challenges and (2) the contribution of individual projects to multiple policy objectives. If we typify the MIRT territorial agenda according to the strategic cycle of strategies, focus is on the relations between vision, governance and plans and projects (see Figure 19).

**Figure 19: The MIRT territorial agenda in the strategic circle (left: strategic circle in general; right: typology of MIRT territorial agenda)**




## 3.8 Reflection

While in the preceding section the MIRT territorial agenda itself was food for thought, this section takes the environment of the strategy into consideration.

*Conditions that make the MIRT territorial agendas possible*

There is a number of conditions which enable the territorial agenda to function as it is now. The first one is the abundance of integrative policies which exists at various horizontal levels. A second one is that, because of the previous condition, MIRT territorial agendas are not supposed to formulate new policies. Another condition is the fact that external stakeholders (i.e. private and civic actors and umbrella organisations) have often been involved in policy documents, feeding into and preceding the MIRT territorial agenda. As a result the territorial agendas do not include political sensitivities which implies that they do not have to be discuss in the individual councils. The legitimation has taken place through the process of the underlying policy documents. These conditions combined thus make that from the perspective

of legitimacy there is no need to involve non-government actors in the joint vision of the territorial agenda.

*Results / effectiveness*
The process architecture of a strategy determines the result at the end. In the case of the MIRT territorial agenda the balance between horizontal and vertical integration and the integration between vision and projects determines its effectiveness. The basic idea is that there is consensus about a joint vision and about priorities within and between government tiers. When addressing integration different levels of integration can be distinguished. Integration may relate to sectors, actors or territories. An example of an attempt of horizontal integration is the agenda of Northwest Netherlands. It presents an overview of key projects for each sector and indicates the main relations with other themes.

There are however limits to the results and effectiveness. Examples show that even within one tier of government one of the ministries can withdraw from a joint decision and jeopardize a project. An example concerns the case of an integrated development near Schiphol in Haarlemmermeer West where the minister of Economy, Agriculture and Innovation independently decided for an open air 380 kV high voltage connection and not for an underground connection as was agreed upon. This would have had heavy consequences for the project, as 6.000 houses less could have been realized due to distance regulations. Although the issue has been solved, it shows the boundaries to MIRT territorial agendas. The agendas do not lead to (binding) agreements between national or regional stakeholders. A ministry can still decide independently contrary to what has been included in the agenda. This is also true for lower tier administrations, but the impact would be smaller since their budgets are not crucial for carrying out MIRT projects. At the same time it has to be concluded that there are several other policy trajectories that work alongside but are not integrated in the MIRT programme.

In this sense the relation between separate policy processes and arenas may require further attention. Whereas it seems possible to arrive, between a given set of stakeholders, at a consensus or shared vision, their policy efforts may become futile when decisions made in other policy arenas negatively influence them. The example above is a case in point. A solution could be to merge the various policy arenas, however, as has been learned from the past such integration efforts sooner or later collapse under their own weight. Future research therefore may focus on the question how links can be created or forged between separate yet mutually influencing policy arenas.

*The relation between vision and projects*
When speaking about spatial visions or other visionary policy documents their implementation usually remains a moot point. This is at least in general the case in the Netherlands. Under the previous Spatial Planning Act this was in particular true for most spatial visions. With the current Act of 2008 this may change, however, as the Act requires spatial visions to include a chapter on its implementation. Whether this will be sufficient to make spatial visions more applicable and effective in terms of reaching their aims remains to be seen.

Yet, based on our analysis, the MIRT territorial agendas seem to break with this tradition. Coming from the context of the MIT programme, which exclusively focused on the implementation of projects, this is perhaps no surprise. Within this setting the focus is firmly on achieving pragmatic results rather than on creating attractive sweeping storylines about a desired but far away future, such as is often the case when developing visionary documents. In effect, the MIRT territorial agendas never had to answer to wild expectations of a wide and difficult to please range of stakeholders. In all modesty they just were expected to pragmatically develop an overall picture of on-going and future projects and combine existing policy consensus across separate domains into one integrative consensus and ambition for a given territory. The starting point of the MIRT territorial agendas therewith is fundamentally different when compared with most informal or statutory spatial visioning documents. In the case of the three agendas that have been reviewed here the approach to start from projects and existing policies and aim to overlay these with a more integrative vision seems to be effective to the extent that projects become better related to each other and to the overall ambition for the region. Yet, it should be noted that in the multi-level government meetings the territorial agendas play a role in the background and merely perform as a frame of reference. There has not been found evidence that the territorial agendas fundamentally changed the routine and priorities in the MIRT programme. For the moment they should be regarded a modest first step in a process of integrating infrastructural and traffic related projects to other relevant territorial issues.

*Formal versus informal*

The issue of formal versus informal addresses both the governance model applied and the type of policy document. If looking at responsibility the question is at stake which platform should represent regional government? In some cases an informal platform was chosen (South Wing organisation and NV Utrecht) whereas in the case of Northwest Netherlands the Amsterdam Metropolitan Area was not one of the official authors of the agenda, but the two provinces and the WGR-plus region of Amsterdam were. Each region should figure out which platform is most effective to deal with an integrative territorial strategy, regardless whether it is a formal or informal platform. In this sense it should be noted that the territorial agendas are not considered as highly political. Alderman or provincial executives do not sleep with the document under their pillows, whereas they might with statutory or non-statutory structure visions such as Utrecht 2040. As indicated, the MIRT programme is primarily regarded an implementation instrument.

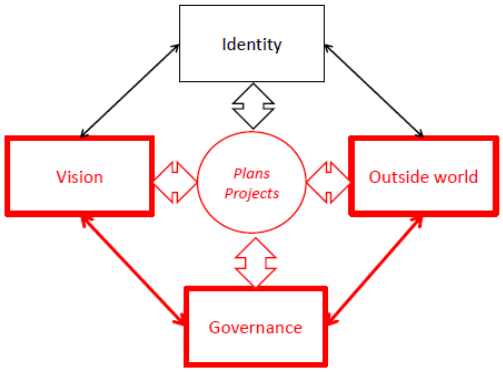
When considering the type of policy document the MIRT territorial agenda shows that an informal document can become robust by linking it to the policy in statutory documents as structure visions. These structure visions exist at the three formal government tiers, but also at informal regional level. Although the MIRT territorial agenda is not a statutory document, the agreements which are made in the multi-level government meetings on the basis of the agenda have a formal status and are binding upon the government tiers in this meeting.

*Meta governance: MIRT process architecture limits and enables integration*
The vision in the MIRT territorial agenda has proved to result in an integrative joint vision. At the same time, however, the process architecture imposed by the national level limits a full integrative central government investment programme. The way in which infrastructure is budgeted makes it possible to include specific projects in the long-term in the MIRT project book. The framework with rules of the games for the projects in the MIRT project book form a strong body of meta governance. The steering effect is expressed in the prioritisation of projects, whereby provinces choose projects which are likely to receive national funding.

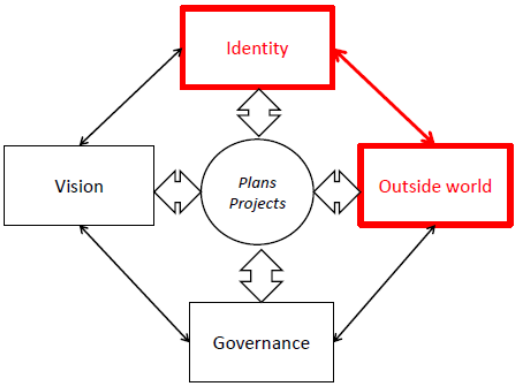
When looking at other budget lines at national level in other sectors these do hardly allow inclusion at project level in this MIRT project book. This applies for example for the way in which nature conservation is budgeted. A number of grant schemes have been merged into lump sums for provinces. The province is now the hinge between central government and region and responsible for planning, finance and implementation. Time horizons between budget lines differ as well as the way in which investments can be assigned to specific projects. As a result, even if involved stakeholders would like to integrate certain projects, for example related to nature development, the current process architecture makes this impossible.

*Inclusiveness with respect to involved stakeholders*
When comparing MIRT territorial agendas with other types of integrative policy documents one can differentiate between them by using the 'strategic circle' as developed within the ESPON RISE project. The territorial agenda links a multi-level government vision to a government investment programme. As Figure 19 above has shown, vision and governance dominate when looking at the elements of strategic analysis. Identity and the outside world only have a marginal role in the strategy of the territorial agenda. Yet, as Figure 20 demonstrates, integrative strategies which precede the territorial agenda focus more on these concepts. Nevertheless, with regard to the updating of the current territorial agendas it has already been indicated that these processes will be different from the first generation agendas and aim to involve a wider set of stakeholders, including civic and private ones.

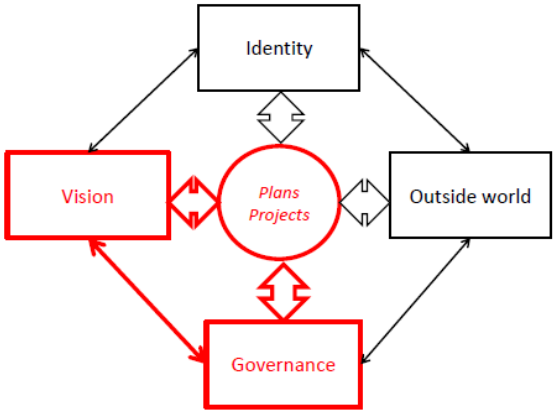
**Figure 20: Typification of some integrative territorial strategies in the Randstad according to the strategy cycle**




Randstad 2040 policy document




Provincial integrated vision (Utrecht 2040 document as an example)




Statutory provincial documents on the basis of the Spatial Planning Act (combination of Structure vision, Spatial ordinance and Implementation agenda)

*Potential improvements*
The current territorial agendas focus on a national investment programmes, whereas it could also include related regional investment programmes. The commitment for the prioritised projects would then be more reciprocal. Central budgets for rural areas (such as for nature conservation and landscape improvement) have a different way of being budgeted and therefore hardly appear in the project lists. They are decentralised to the province as a lump sum. Presenting a more inclusive project list with both all central government financed and regional government financed projects would provide more transparency, yet might also further complicate the governance process.

*Territory as integration frame*
A last point of reflection concerns the fundamental rationale underlying the integrative policy process in the context of MIRT in which a deliberate choice has been made to use territory as such as a frame of integration. Other choices could have been made as well when revising the former MIT programme. For example, the MIT programme, which initially only dealt with infrastructure provision, could also have been made more integrative along the line of economic development. The result would have been a MIET programme: Long Term infrastructure and Economic Development Programme. Not illogical given the close relationship between accessibility and economic development. Yet, for reasons we do not know, it has not been economic development but territory that has been chosen as integration frame. Or at least, this is how it currently works out. By including territory in the programme and by making the development of a territorial agenda mandatory the former MIT programme now has taken quite a different and new direction.

## 4 Conclusion

If anything, it has become clear that there is no such thing as a regional integrative strategy at the level of the Randstad. Rather there are several strategies, some being more integrative than others, at several levels below and above that of the Randstad. Amongst the wide array of integrative territorial strategies the MIRT territorial agendas is just one particular kind of integrative policy. As we brought forward it has been studied in this case study as it is relatively new and combines both horizontal and vertical integration and vision and investment programme. But there are many other, maybe more exiting, policy documents under the umbrella of integrative territorial strategy within the Randstad. In about a period of half a century there has only be one policy document that could be regarded a regional integrative strategy for the Randstad: the Structure Vision Randstad 2040 (Ministerie VROM, 2008). Ironically though, the key message of this vision, which already has become obsolete, is that because of limited functional relationships there is no rationale to speak of one Randstad, but rather that policy strategies should be aimed at the two wings. This is also the view of the 2010 government, but it needs to be seen how it will be fleshed out.

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## Interviews

*Territorial Agenda South Wing/South-Holland*

- Leo van 't Hof, coordinator at central government level for the territorial agenda South Wing/ South-Holland, ministry of Infrastructure and the Environment
- Annelies van der Does, project leader territorial agenda, Province of Zuid-Holland

- Twan Verhoeven, responsible for the traffic and transport projects in the MIRT
- Nicolas van Geelen, responsible for the Economic Agenda and economic input in territorial agenda, Province of Zuid-Holland
- Olga Arandjelovic, team leader territorial strategy and programme leader of the on-going development of visions and coherence between the different products within the province.

*Territorial Agenda Northwest Netherlands*
- Kees Hansma, coordinator at central government level for the territorial agenda Northwest Netherlands, ministry of Infrastructure and the Environment
- Wim Brussaard, MIRT coordinator at the Province of Noord-Holland
- Peter Jellema, MIRT and territorial agenda coordinator at the province of Flevoland
- Hillebrand Koning, responsible at the province of Flevoland for the input in the Amsterdam Metropolitan Area and the central-regional government programme Amsterdam-Almere-Markermeer (RRAAM)
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*Territorial Agenda Utrecht*
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- Jacqueline Sellink, spatial planning department and MIRT coordinator province of Utrecht
- Bart Althuis, infrastructure department and MIRT coordinator, province of Utrecht
- Caroline Drupsteen, spatial planning department and MIRT coordinator, municipality of Amersfoort
- Frank Giele, spatial planning department and MIRT coordinator, municipality of Hilversum.

**Participant in Randstad meetings**
*Meeting Randstad stakeholders July 2011*
- Joanne Swets (Randstad Regio Brussel)
- Wim Stooker (Randstad Regio Brussel and province of Noord-Holland on behalf of Hilde van Velzen-Donker)
- Liza Groeneveld (province of Utrecht on behalf of Harm van den Heiligenberg)
- Jolanka van der Perk (province of Flevoland)
- Lenneke Joosen (province of Zuid-Holland)
- Helmut Thoele (province of Zuid-Holland)
- Annelies van der Does (province of Zuid-Holland)

*Focus group meeting December 2011*
- Joanne Swets (Randstad Regio Brussel)
- Leo van ’t Hof (ministry of Infrastructure and the Environment)
- Jolanka van der Perk (province of Flevoland)
- Wim Brussaard (province of Noord-Holland)

- Harm van den Heiligenberg (province of Utrecht)
- Jacqueline Sellink (province of Utrecht)
- Helmut Thoele/Jeroen van Schaik (province of Zuid-Holland): announced but not able to come
- Helen Land (ministry of Infrastructure and the Environment): announced but not able to come
- Menko Noordergraaf (Amsterdam Metropolitan Area): announced but not able to come.

# RISE CASE STUDY REPORT – SWEDEN

**Lars Larsson & Robert Sörensson**

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Within the ESPON funded project *Regional Integrated Strategies in Europe: Identifying and exchanging best practice in their development* four case studies for comparison are produced. The four regions are Birmingham/West Midlands in the United Kingdom, Region Sealand in Denmark, the Randstad Region in the Netherlands and finally Västerbotten in Sweden. In this case study the case of Västerbotten is presented and analysed. The overall aim of the project and also this case study is to understand and analyse how actors involved in developing the region can achieve higher levels of efficiency through increased integration of ambitions, resources and efforts.

Initially a description of the politico-administrative system for regional development in Sweden and more specifically in Västerbotten is presented. This section relies mainly on written sources (laws, regulations and policy documents) and interviews with officials responsible for or involved in policy implementation. Once this picture is presented it is somewhat contrasted by the perceptions, attitudes and experiences that emanates from a number of interviewees representing organisations in a couple of collaborative arrangements related to policy implementation. Finally, a regional outlook is provided with the ambition to position Västerbotten and its regional development actors in larger contexts, where strategic alliances and networks are the main focus. This section is based on a mix of the data sources mentioned above.

## BACKGROUND ANALYSIS

Sweden's political system is organized on three levels; the parliament at the national level, the County Council (CC; *landsting*) at regional level, and the municipalities at the local level. State administration is mainly organized on these three levels too, the state at national level, County Administrative Boards (CAB; *Länsstyrelse*) at the regional level (county; *län*[13]) and local level with branches of various state agencies, such as social security, public employment services etc. Especially in the administrative organization there are numerous examples of state functions that follow other spatial logics. However, this three tier system has long been the basic organizing principle, but it has been changing during the last fifteen-twenty years.

Of greatest importance is Sweden becoming a member of the European Union (EU) in 1995 which added a fourth tier to the

[13] There is also a historical region named Västerbotten, a *landskap* as opposed to *län* (county). They do not cover the same territory. Any mentioning of Västerbotten in this report refers to the County Västerbotten, which is the main state regional organization, established first in 1634 and in Northern Sweden in 1810 (http://www.ne.se/lang/lan).

political and administrative organization, the supranational level. Added to this is the changing character of the internal regional organization in Sweden, which was gaining momentum at roughly the same time. Pilot regions of Skåne and Västra Götaland were set up during the 1990's. They were and are self-governed by elected bodies and they combine functions previously assigned to County Councils and CABs, such as responsibilities for infrastructure planning, regional development, health care and culture. They are now permanent institutions (Lidström et al 2009). From 2003 it is possible to establish municipal co-operative councils at the regional level. They are formed by municipalities and County Councils and they can assume responsibilities for among other things regional development. The governing bodies are usually indirectly elected, appointed by each member organization respectively (SFS 2002:34). In Västerbotten such a body is setup since 2008, *Region Västerbotten* (more on this later), who is responsible for regional planning and development. These, and other, changes all result in a more diverse societal organization at the regional level than used to be the case in a more "mono-structural" Sweden.

As for the formal planning in Sweden, the municipalities have a very strong position since they have a physical planning monopoly. They have the right and the obligation to decide what to do with land and water resources within their territorial borders. Of general importance are comprehensive plans that should present a general view of the use of the entire territory. Of legally binding and specific importance are the detailed plans (DPs) appointing functions to certain zones (housing, industry, recreation etc.). They are mainly used in urban areas. The most important limitation to the municipal planning monopoly is when reserves are appointed for certain functions of national interest. Military functions, infrastructure along main planned routes, recreational, nature and culture reserves are examples of functions that the state can opt for. However, any reservation needs to be negotiated with relevant municipalities (Gradén 2011).

The regional level is in relation to physical planning fairly weak. CABs have counselling functions with regards to health, safety, national reserves, environmental quality, as well as provide inventories and data on regional level. They are also responsible for processing and handling of appeals related to municipal planning, e.g. a DP http://lansstyrelsen.se/lst/sv/amnen/Samhallsplanering/).

Any agent in the Swedish planning system can setup strategies and programmes for achieving their objectives, i.e. other than mandatory. Related to regional growth and development the formal responsibilities for strategic planning are assigned to municipal co-

operative bodies (most common), CABs (which was the only case previously; now – only where no municipal co-operative bodies exist) or the two regions of Skåne and Västra Götaland.

It should further be noted that the municipalities earn revenues from local income taxation, as do the County Councils and the state, whereas the municipal co-operative boards lack similar funding mechanisms. Strategic planning for regional growth and development is then, relatively speaking, weaker in terms of political mandate and funding than are actors involved in physical planning. Policies and structures for the promotion of economic growth and development are presented in the next section.

## Planning for regional growth in Sweden

The fundamental cornerstone of policies for economic growth in Sweden is the assumption that national growth depends on regional and local growth processes. These processes are then assumed to be best governed (in a wide sense) and nurtured through regional expertise and action. In order to support these processes the Ministry of Enterprise, Energy and Communications has developed a "National strategy for Regional Competitiveness, Entrepreneurship and Employment 2007-2013I" (*En nationell strategi för regional konkurrenskraft, entreprenörskap och sysselsättning 2007–2013*). Ambitions and actions presented in the national strategy will support competitive regions and individuals in Sweden to achieve the main objective, "dynamic development in all areas of the country with greater local and regional competitiveness" (http://www.sweden.gov.se/sb/d/2112/a/19597, 091204). This is presented in a more technical way as: "effective, sustainable local labour-market regions which offer high levels of service throughout the country" (Näringsdepartementet 2007, p.6). The contents in the regional growth approach relates to other policy areas, also mentioned in the strategy, national employment policies and to EU cohesion policy.

A number of areas are prioritized and of particular interest:

- Combining environment and entrepreneurship
- World class business and innovation climate
- Knowledge and skills
- Culture and creativity
- Local and regional influence over well-functioning communications
- Cross-border growth efforts
- Balanced sectorisation and efficient government agency structure
- Strengthened development capacity in rural areas
- Access to public and commercial services

Within this framework four thematic priorities are outlined in the strategy:

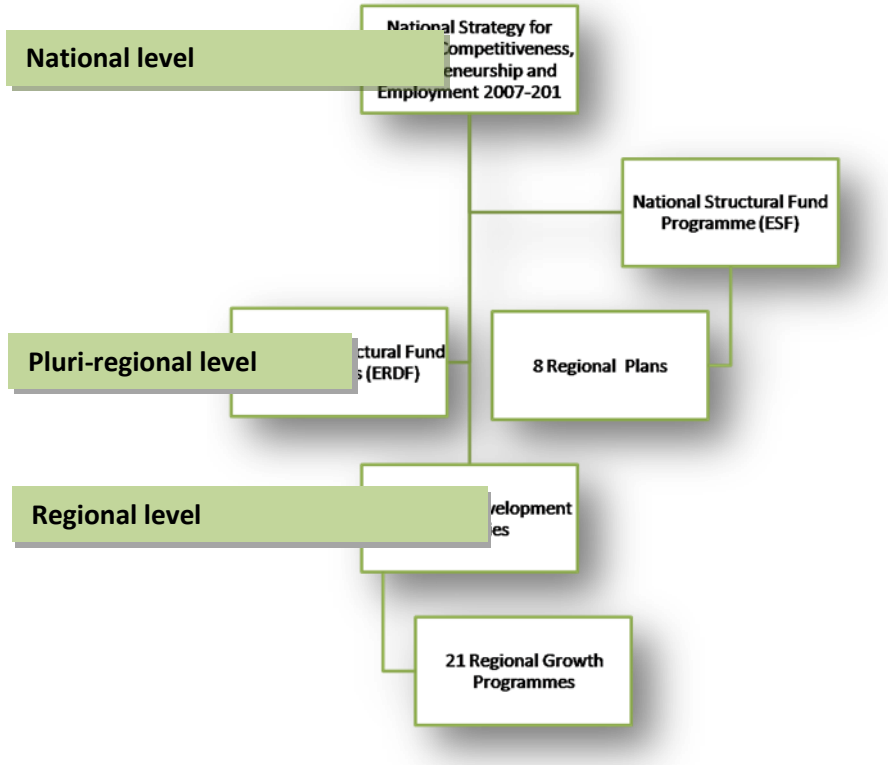
- Innovation and renewal
- Skills supply and improved labour supply
- Accessibility
- Strategic cross-border co-operation.

Further, the strategy specifies guidelines for implementing EU Structural Fund Programmes, Regional Development Programmes, Regional Growth Programmes, Regional Structural Fund programmes for Regional Competitiveness and Employment, and Territorial co-operation programmes.

In the strategy guidelines for the implementation of EU cohesion policy is presented, where the European Regional Development Fund (ERDF) and the European Social Fund (ESF) are the most important funds. Structural Fund resources are mainly directed towards innovation and renewal and accessibility.

Below is an overview of the system promoting regional growth for the years 2007-2013, i.e. the same interval as in the present EU programming period (figure 1). It is the first time the entire regional development system is adjusted to EU programming, in itself, an indication of the importance of EU in Swedish regional development.

*Figure 1. Policy organisation for regional growth in Sweden.*




*Source: Näringsdepartementet 2007, p.29.*

Key actors are implicitly indicated in the chart. The *Swedish Government* through its *Ministry of Enterprise, Energy and Communications* is responsible for the overall guidance and strategic decision making. Also on national level, the national programme for the ESF is managed by the *Swedish ESF Council* (*Svenska ESF-rådet*).

At the pluri-regional level the ESF Programme is organized in eight regions within which the ESF Council works in partnerships with local actors and representatives of the labour-market organizations. The Managing Authority of the ERDF is the *Swedish Agency for Economic and Regional Growth* (Tillväxtverket). Eight ERDF-programmes have been produced on regional level and based on existing Regional Development Strategies and Regional Growth Programmes.

Regional Development Strategies and Regional Growth Programmes are the responsibility of *County Administrative Boards* (CAB), *regions* and/or *regional co-operative councils* (*kommunala samverkansorgan*). The CABs previously implemented government decisions within regional development. As mentioned in the introduction, co-operative municipal bodies are now important

regional actors and in majority as responsible for regional development. In Västerbotten the municipal co-operative body is Region Västerbotten (see *Strategy Analysis* below for further details). They are since 2008 responsible for the promotion of regional growth and development. They are also responsible for Västerbotten's regional development strategies.

## Strategies for regional development in Västerbotten

There are a number of formal regulations and policies that guide regional development in Västerbotten, and other Swedish regions. These are the most relevant, zooming in from national legislation to Västerbotten strategic documents:

- Swedish Code of Statutes (SFS) law (2002:34) and law (2010:632, valid from January 1, 2011) on the establishment of co-operative municipal bodies in counties (*om samverkansorgan i länen*)
- An ordinance of importance for regional development is SFS 2007:713 on regional planning for economic growth
- National Strategy for Regional Competitiveness, Entrepreneurship and Employment 2007-2013
- Regional Development Plan 2007-2013 (*Regionalt utvecklingsprogram*), RDP
- Regional Development Strategy 2007-2013 (revised RDP for 2011-2013, *Regional utvecklingsstrategi*), RDS
- Regional Growth Programme 2011 (*Regionalt tillväxtprogram*), RGP11

As for the *laws on co-operative municipal bodies*, they set the legal foundation for Region Västerbotten. According to the ordinance a strategic plan should be established for the region, and it should be implemented through third party involvement. They are also made responsible for the resourcing of development activities through co-ordination of EU and national funds. The law is fairly open in terms of how those tasks should be implemented, and leaves it to Region Västerbotten's discretion.

The Ministry of Industry is responsible for the national regional development policy and EU cohesion policy through the *National Strategy for Regional Competitiveness, Entrepreneurship and Employment*. The national strategy is: "a platform for a holistic approach and sector co-ordination for regional competitiveness, entrepreneurship and employment. At the regional level the Regional Development Programmes have the same function" (Ministry of Industry 2007, p.29). All parts of Sweden contribute to economic growth and sustainable development, according to the strategy document. The way to achieve that is through functioning and sustainable local labour market regions with a good service level in all parts of the country. This is done through:

- Improved governance in public administration

- Enhanced regional responsibility for development promotion, and a holistic approach
- Improved division of responsibilities between state and local and regional authorities
- Learning programming
- Regional benchmarking for change
- Co-operation with the EU structure and regional policies
- Targeted measures

Any activity undertaken within the Swedish regional development policy, on any level, by any actor, is to follow the four priorities presented in the strategy:

- Innovation and renewal (innovative milieus, entrepreneurship)
- Improved skills and increased labour supply (education for professions and skills improvements, job promotion)
- Accessibility (regional enlargement, IT infrastructure and services)
- Strategic cross-border co-operation

Of specific, if not strategic, importance is northern sparsely populated peripheries and the larger cities.

In 2010 slight changes were introduced into the national strategy in line with scheduled programme updates. These changes were further necessitated through the OECD Swedish Territorial Review presented in 2009, the adoption of the EU Baltic Sea Strategy and other global events and changes. The overall ambitions are the same still, but with some adjustments:

- Strengthened focus on green growth, service innovations and improved co-operation between regional growth, labour and education policies.
- Contribute to the Baltic Sea Strategy implementation
- Demographic challenges, internationalisation and sustainability (environment, climate and energy, equality, integration and diversity), i.e. horizontal policy aspects, should be considered and included to a larger extent
- Clarified role of state agencies in regional growth promotion
- Strengthened regional leadership and increased harmonisation between plans and strategies on different administrative levels and between policy sectors

Process oriented dialogue is clearly stressed in the national strategy. Vertical dialogue and co-ordination of the RDP's, should evolve in a dialogue with the Ministry. Once priorities and objectives are in place, a national forum for on-going political dialogue between national and regional representatives is established. Among other things the forum activities will clarify the regional point of view to the Government. A similar dialogue between the regional and local levels is encouraged. Horizontal and on-going co-ordination on the national level will take place through thematic

ministry working groups along the priorities identified in the strategy.

The *Regional Development Programme* (RDP) 2007-2013 is owned by Region Västerbotten, the co-operative municipal body, and defines the visions, prioritised strategy areas and measurable goals for future development of the region.

The RDP is divided into five strategy areas:

- Promote the environment, culture, health, an attractive urban environment, and good living conditions;
- Development of trade and industry;
- Skills and labour supply;
- Accessibility and infrastructure; and
- International co-operation and networking.

During 2010 a revision of the RDP was initiated, which resulted in a *Regional Development Strategy* (RDS). As with the revision of the national strategy, the new RDS is motivated by the OECD Territorial Review of Sweden, the adoption of the EU Baltic Sea Strategy and global events and challenges. However, the RDS is somewhat newer meaning it also includes the EU2020 strategy, thereby noting the smart, sustainable and inclusive growth ambitions. Therefore six focus areas (same as RDP) and19 priorities are identified (and further clarified as compared to the RDP) for the region of Västerbotten:

- Improved skills and increased labour supply
- Increased net in-migration
- Infrastructure and accessibility
- Developed industry and entrepreneurship
- International co-operation and networking
- Culture

The national strategy stressed co-operation and networking along vertical and horizontal lines. The same approach is valid for the RDP even though there are few explicit formulations with reference to cross-cutting issues, save for the implicit wording: "The RDP form the basis of co-operation between local (municipal) development plans, comprehensive plans (*översiktsplaner*), regional, national, and European strategies that together combine to achieve the priorities that result in a sustainable development" (2007, p.4). In the RDS the Regional Development Forum is mentioned and supposed to involve the regional partnership in an on-going dialogue. Smaller operative groups along RDS focus areas with representatives from the partnership will also be setup. The aim is to promote insights on development preconditions in the region.

*The Regional Growth Programme* (RGP) is the operational programme for implementing visions and strategies presented in the RDP/RDS above. The RGP co-ordinates strategic targets in RDS with funding from other operational programmes, mainly EU funding. The RGP guides funding decisions, where projects shall contribute to the fulfilment of each of the six RDS priorities. However, the County Administrative Board is managing the Rural Development Programme. The RGP counts on funding from the Rural Development Programme, but it is weakly integrated and seemingly of little discoursive importance for the RGP. The RGP is revised annually.

Measures in the RGP are the same as for the national strategy presented above, which in turn is valid also for the RDS. The RGP shall co-ordinate priorities and ambitions in RDS with existing sources of funding. Each strategic end is divided into means and measures that on a detailed level are presented in the programme. Funding sources are identified and their relations to programme measures are described.

## Funding and financing

Regional development activities in Västerbotten are to a large extent funded from external sources, of which the EU and its various programmes are absolutely essential. In the table below (table 1) the more important funding sources are listed.

*Table 1. Sources of funding for regional development in Västerbotten*

| Level | Funding |
|---|---|
| **EU** | **EU-funding: ERDF, ESF, Rural Development Programme, Interreg (several), FP7, CIP, Urbact, Life Long Learning, Interact IVC, etc.** |
| **National** | **State funding: through the regional growth measure 19, specifically 1:1 (in the national budget), programme for women's entrepreneurship, etc.** |
| **Regional** | **Municipal membership fees to Region Västerbotten (providing administrative infrastructure)** |
| **Municipal** | **Income taxes, municipal equalisation system, etc.** |

The RGP connects ambitions, objectives and measures in the RDS – which in turn connects to national and EU level policies – with funding from a number of sources. Since a large share of resources

come from the state and external agencies the majority of public sector development initiatives are promoted through projects, rather than e.g. permanent administrative structures.
The RDS and the RGP are embedded in co-operative structures and partnerships. Each actor in Västerbotten opting for funding through the RGP makes their own funding decisions, however to be eligible for RGP funding applications should connect to RDS priorities, as well as be in coherence with certain RGP selection criteria (mainly related to sustainable growth and networking). Actions undertaken within the RGP framework emanates from (mainly) business needs.

Once ideas are transformed into funding applications, there are a number of groups with responsibilities for the promotion of development through the RGP. Here the actual integration for regional development takes place, be it among politicians, wider partnerships or among hired staff with specific competencies (see table 2, below).

As for the regional integration and co-operation there are also other activities, such as regional seminars on regional development factors. Utvecklingsrådet decides contents, the Regional Office manages them. Experts are invited on a needs basis, any of the Västerbotten actors can call them in. Working groups are appointed and dissolved, also on a needs basis. There are other networks and partnerships related to other kinds of funding, but those mentioned here are the politically more important in relation to the RGP.
As for the administrative processes, they also involve various constellations and procedures for co-ordination and integration. One example is where Region Västerbotten, the CAB in Norrbotten, the Growth Agency (responsible for ERDF) and the ESF Council meet and prepare for Structural Fund Partnership meetings. Another example is the administrators' meetings where Region Västerbotten meets with the Västerbotten CAB to discuss projects within the Rural Development Programme.

*Table 2. Co-operative arrangements for regional development in Västerbotten*

| **Name, Swedish** | **Name, translated** | **Function within RGP** |
|---|---|---|
| **Region fullmäktige** | **Regional Council** | **The decision-making body that ratify and revise the RGP.** |
| **Regionstyrelse** | **Regional Board** | **The decision-making body that prioritize among the regional projects funded by the national (government) budget for regional growth funding. This board also prioritizes among the projects from Västerbotten that feed into the Structural Fund Partnership for funding** |

| | | |
|---|---|---|
| | | **from the ERDF.** |
| **Utvecklings rådet** | **Development Partnership** | **Regional partnership with public and private sector, unions and other non-profit sector representatives. Led by Region Västerbotten chairman. Meets at least twice a year. Development issues are discussed more holistically, which is important for legitimizing regional priorities and measures.** |
| **Samsynsgrupp** | **Consensus Group** | **Regional partnership with representation from Structural Fund Steering Committees and Partnerships, and Region Västerbotten Executive Board. Meets twice a year in preparations for Strukturfondspartnerskap, see next row. Advices Region Västerbotten in co-ordination of project applications to various EU funds within the region. To make sure that applications follow and meet regional measures and priorities.** |
| **Strukturfonds-partnerskap** | **Structural Fund Partnership** | **Cross-regional partnership (Västerbotten + Norrbotten counties) for the ERDF. Municipal and County Council politicians, labour market organisations, regional state agencies, private and non-governmental organisations, the Sami Parliament. Chair appointed by the Government. Started with four meetings a year, now twice a year due to diminishing resources. Prioritise among project applications that have been approved by the Managing Authority; partnership decisions are binding for programme offices. Co-ordinates with ESF projects in the region, as well as with RDS and the Rural Development Programme.** |
| **Regionkansli** | **Regional Office** | **Hired staff at Region Västerbotten. Manages the RGP, co-ordinates RGP processes, drafting and administrative resource.** |

*Source: Region Västerbotten, www.tillvaxtverket.se.*

## STRATEGY ANALYSIS

In the previous section a more structural and institutional background to the present situation in Västerbotten was presented, regarding strategies and ambitions for promotion of regional

growth. It presented the "official view" of regional development strategies, i.e. information was gathered from policy documents and from interviews with representatives from organisations responsible for regional development planning in Västerbotten. This section focus on the perceptions, attitudes and experiences that emanates from a number of interviewees representing organisations in collaborative arrangements related to policy implementation in Västerbotten. First though, a brief history of the regional development process in Västerbotten is presented, a regional context.

## Regional policy context

The Västerbotten CAB previously had the formal responsibility for regional development and to produce long-term County Strategies, which in many ways were similar to RDPs. At the end of the last EU programming period (2000-2006), the CAB produced strategy documents and developed the RDP as a way of further adjustment to EU and national policies and structures – legislation, funding and objectives, and to the EU discourses and concepts.

The RDP was established following a thorough dialogue with a large number of local and regional actors. The dialogue received high levels of participation, perhaps due to a mental shift. Rather than waiting for state and other money being redistributed to regions in need, organisations, politicians, officials and others realised that to opt for funding in the future, they needed to identify and communicate their ambitions. The previous mind-set, i.e. relying on and expecting state intervention, used to be quite strong in political debates in Northern parts of Sweden. Many of those organisations participating in the regional dialogue then became members of the regional development partnership (*utvecklingsrådet*), at present having some 35 members.

At the time, some ten years of EU membership and an increased use of partnerships in regional and rural development had created a general pattern of participation in Sweden. Public sector representatives were fairly easy to involve in partnerships, as were third sector organisations. Representation from industry or business was much weaker. Instead, business organisations and chambers of commerce tended to participate. Some of the interviewees also mention the fact that the inhabitants in Västerbotten rarely participated in dialogues concerning regional strategies. Evening events where people were invited to present their ideas and opinions received a very low or non-existent response. Given these limitations, participation in the regional dialogue was – and is – considered to be good.

Due to this substantial organisational embedding of the RDP, the process for revision of the strategy (2010-2011) was somewhat different. Rather than approaching a large number of possible stakeholder organisations, the main focus was on dialogue with each of the regional partnership organisations. They all had the opportunity to meet with Region Västerbotten, who assumed regional development responsibility in January 2008. The municipal co-operative body consists of elected representatives from the municipalities in Västerbotten and the County Council (15 + 10). They are now legally responsible for providing and implementing RDPs, even though there is freedom in how to establish the strategy and what to include. One important aspect is the mandatory co-operation with other actors in the county, such as the CABs and other relevant organisations.

Since 2008 then, the regional development responsibility has moved from being a state owned concern to a local and regional political issue. Since Region Västerbotten and the Västerbotten CAB are mandated by legislation to work with regional development (some responsibilities still remain within the CAB, such as rural development and small business support), they are more active and set aside resources to pursue the necessary processes. They tend to be the more active partners in RDP/RDS processes, whereas other organisations with more limited resources and mainly issue interests (e.g. forestry, rural development, social security, union issues) consequently play less central roles.

The shift in roles and duties among the leading stakeholders is a recurring theme in the interviews:

*The co-operative municipal body of Västerbotten established in 2008 represents and assumes legal responsibility for regional development and growth processes in Västerbotten. Previously, a distinctive feature of the regional development and growth process was an unclear and inefficient organizational framework. At that time no one of the three parties concerned – the County Administrative Board, the County Council and the Swedish Association of Local Authorities in Västerbotten – enjoyed the other parties' obvious approval to represent the region in regional development and growth issues.*

Other respondents focus on enhanced opportunities to influence current policies or projects: "Nowadays, the framing of a regional growth and development strategy derives more clearly from within the region itself." Another interviewee concludes that:

*We aim for a more democratic and inclusive process as well as a better representation. The goal is to connect strategies from the local level up to the EU level. We can frame our own plans but there is an alignment to the local, national, and EU levels as well. The strategic documents guide the alignment and choices of potential projects for funding. We have assumed the role to actively shape and influence the regional growth process instead of the County Administrative Board.*

*This might also be seen as a preliminary exercise at the prospect of a forthcoming regional enlargement.*

As for the interviewees – other than representatives from Region Västerbotten and the CAB – their perceptions of *context* and *purpose* of the strategy are diverging even though they tend to follow the overall discursive approaches already presented. Many respondents start with the observation that Västerbotten is a heterogeneous region with two main, coastal cities and otherwise consisting of vast areas with sparsely populated hinterlands, forests and mountains. Since Västerbotten is a small county in terms of population, partnerships and alliances with other regions are necessary. Since continuous economic growth is desired and needed, Västerbotten can and shall avoid heavy dependence upon the public sector for employment opportunities. Some of the interviewees consider opportunities to arise mainly within the natural resource industries. Others state that the goal is to refine and diversify the economy, through creative industries and innovative milieus. In either case it is considered to be relatively easy to form common objectives for utilization of common resources in Västerbotten. One example is Västerbotten being at the forefront in establishing well-functioning cooperation between the CAB and Umeå University and the Swedish University of Agricultural Sciences (SLU) in Umeå. This alignment has been guided by strategic policies for regional development, especially in selection of potential projects and options for funding.

## Initiation of the regional development policy process

In contrast to the well-founded narrative above, only few of the respondents have a clear understanding of how the process was established and who took the initiative. One view is that the CAB initiated the process, another that the initiative to draw up a regional growth program came from the government through the CAB and that Region Västerbotten coordinates the process nowadays. One or two respondents suggest that the predecessor of the Swedish Agency for Economic and Regional Growth (Nutek) initiated the process for the regional development strategies, whereas the ESF council initiated the process for the horizontal priorities such as accessibility for the disabled.

Irrespective of understanding, there is concordance among the respondents regarding what kinds of relations to other actors that were established during the process. As for the start-up phase: "The first programme period did not result in much, but later on a network developed between NGOs, the authorities, and other representatives that created an understanding between

stakeholders and spurred the dynamics within the network." Initially it was also quite clear that the two counties Västerbotten and Norrbotten (north of Västerbotten) strived to position themselves in relation to one and another. At present there is a developed and common understanding where the focus is to achieve what is best for both counties. This re-positioning is also identified within the region – co-operation within Region Västerbotten is more inclusive, even though the smaller municipalities might have the impression that they are somewhat less included.

As the process evolves through involvement of the wide scope (as compared to pre-2005-2006) of agents, it creates an understanding of the different needs and requests put forward in the process. According to interviewees Västerbotten is successful in reaching consensus in comparison to other regions: "We are successful despite huge intraregional differences between for example Skellefteå, Umeå, and the rest of county. "Network relations are primarily established with those who actively participate in the growth process. Over time relations have evolved with trade and industry, the wider civic society and even internationally (see section Regional Outlook below). Relations develop locally, regionally nationally, and internationally. Everybody is invited to participate in this relational process, but each stakeholder needs to choose to participate actively. The overall impression is that when forums for planning and decision-making are established and when funding procedures and decisions are on the agenda, all stakeholders strive to pursue and push their own interest. However, but once a decision is made everybody accept the outcome. The adherence to consensus is no surprise to one interviewee stating that:

*There have always existed various shifting co-operations in Västerbotten, but the EU Structural funds have been an essential injection into a more formalised co-operation process. The central governments' means of allocating financial resources have affected the growth and development process. The responsibility for shaping the RDP gave an impetus to the process.*

As mentioned above though, there is still a lack of representation from individual companies. Since regional development processes are mainly funded through projects, the lack of private firms means that public organisations receive more of the funding. A further aspect of this situation is associated with the costs of drafting project proposals, of administration for project management and the time lag before applicants receive funding, thereby inducing credit costs. Public sector and other larger actors are more likely to have the resources to deal with this situation. It should be noted though that some respondents complain about their own inability to really compete for funding due to lack of resources.

The commitment from the public has declined (from a low initial level), according to respondents. This is possibly due to a sentiment of being less included and successful within the process, or because they perceive that the process is functioning even if they do not take part in the process.

At present the regional development process is quite well established and the majority of the respondents have a general understanding of the division of labour between regional development actors. Region Västerbotten is responsible for the RDS, the qualification/competence platform, and transport infrastructure. The CAB has a responsibility from the national government to coordinate state actors at the regional level in order to support the regional growth strategies. They also maintain responsibility for certain spheres of the regional growth policy such as the EU Rural Development Programme. The municipalities also actively work with these issues, especially the larger ones that have personnel and financial means to draft and administer projects. Some of the respondents have a less clear understanding: "The implementation is to a lesser extent governed by any specific instructions. We form thematic task forces to cope with the work load." There also exist misinterpretations, one example being that: "The administrative staffs manage the ESF projects while the politicians manage the ERDF projects." Some call for a (more concise) division of labour, since "there is a duplication of work among the agencies", and further:

*The formation of coalitions that come into existence changes depending on the issue at hand, and there is seldom any kind of blocking coalition, or formation that have reached an understanding before the meetings. That is impossible due to the consensus culture that guides the decision making.*

## Regional development achievements

In the process of setting up a new regional development organisation with greater democratic legitimacy, enhanced regional participation and more extensive external funding – are there any achievements made? The majority of interviewees give a confirmatory answer to this question and points to three broad themes – funding, projects and the influence on EU strategies.

As for the first two themes, funding and projects, the following examples are provided:

- One interviewee provides an overall statement: "We have influenced the allocation of co-financing and the alignment of choices made regarding projects. "
- Investments in railway and port facilities
- Investments in the bio-energy sector in creating two pilot plants

- The ICT industry – video games and other creative industries in education, research and innovation – have been successful
- Investments in innovation, such as the development of testing services in small, inland municipalities
- Firms have been supported in recruitment, cooperation and marketing. They have also been encouraged to approach the universities concerning product development, design, marketing, business concepts, and sales.
- Projects for functionally impaired and mentally disabled have been pursued that would not have been realized without EU funding
- Various research initiatives have secured more than 2 billion SEK
- The continued existence of the Swedish Defence Research Agency in Västerbotten
- Developed co-operation with bordering regions in Norway and Finland.

The list is not complete, but indicates what kind of achievements that are known in the regional development networks. Examples given further tend to reflect representation of the respondents, where they are more familiar with their own professional field.

The third theme, influencing EU-strategies, include examples such as:

- "... a clear common objective with reference to the regional development strategy, transport infrastructure plans, and problems such as the skew demographic structure in Västerbotten. Also to work towards a TEN status for the Bothnia Corridor and E12 throughout the county. The Europe Forum Northern Sweden has influenced the planning of infrastructure and the allocation of funding to the ERDF", and further – to secure additional EU funding via the sparsely populated area criteria[14]
- The impact is more pronounced at the EU level than at the national level through new network connections: "The impact of this collaboration has been more efficient by sidestepping the national level and instead directly approaching the EU level"
- Others conclude that the new regional development setup has created an organizational learning process for shaping regional strategies.

Overall the respondents find the achievements satisfying: "We have made an investment in a new mind-set to achieve economic growth. A lot of good investments have been made that will have long lasting effects and a long term yield", and further: "We have been able to reach a better consensus in the county", and finally: "Informal meetings with no prestige and jealous protection of one's special preserves is one important outcome of the regional growth process".

Some of the interviewees express opposing views, and do not perceive the achievements as satisfying. They mention:

[14] The four northernmost counties in Sweden fulfill the requirements for the sparsely populated area criteria and thus obtain extra funding from the EU.

- the diminishing importance of a civic perspective,
- the lack of private firms using funding for developing the tourism sector, and
- the lack of inclusion: "As an organisation we would like to be more involved […] regarding priorities and decisions concerning the specific projects".

## Key policy instruments used

So far, this section has provided information on perceptions and understandings among the representatives from regional stakeholders. To follow is a more analytical section where scientific concepts are used to structure information received. The concepts concern the use of instruments in regional planning, such as visioning, positioning, potentials and integration. Mostly these concepts have been presented to the respondents, together with a brief discussion of their meaning and scope. In some cases the actual phenomenon has been discussed without explicit reference to the concepts.

### Visioning

A first concept, or rather an opposing pair of concepts, has been used to clarify and discuss the idea of visioning. On the extreme planning can be a purely *regulatory* process, on the other planning is a non-regulated *visioning* process. For the RISE project a tentative definition of visioning has been established – the purpose of a vision for the regional future is to invite or inspire private and public actors to join actions sustaining a common strategy for the development of the region. As for those interviewed, an overwhelming majority perceive the regional development strategy production as a regulatory process. Some identify a touch of or a potential for a more visionary approach. In either case, the visioning is to a very limited extent used as a strategic instrument, according to the respondents.

As mentioned earlier, each region in Sweden is mandated by law to produce a RDP/RDS. In that respect it is part of a hierarchical regulatory approach towards regional planning. According to Region Västerbotten officials though, the RDP/RDS should be considered as a strategy, as a way of identifying and agreeing upon where to go and where the region ought to be in the future. As a consequence or evidence there is no mentioning of funding in the documents, they are not about distribution of money. The two views are not exclusionary, a strategy can be initiated from a mandatory decision but still include quite large portions of visioning, which is the case with the Västerbotten RDP/RDS. Its contents and functions are more visionary than only adhering to legislation.

In the RDP there is consequently a vision presented (2006, p.5):

> The region of Västerbotten is leading among Northern European regions in working towards a sustainable development characterized by a knowledge driven and competitive economy. The region contains Northern Sweden's most attractive habitats with diversity and accessibility to work, housing, culture, leisure time, studies and social services, where people feel participation and inclusion. In year 2013 Västerbotten should have 270 000 inhabitants.

The vision statement presents a fairly general and all-encompassing description of a future Västerbotten, rather than presenting a more strategic and precise idea. In the revised RDS focus areas and priorities are further clarified as a response to national and global changes, but also as a preparation for the next period of EU programming. However, the actual vision statement is no longer present in the RDS. According to Region Västerbotten the vision is still valid, and can be identified through a deductive exercise from RDS objectives.

### Positioning

A second concept used is *positioning*, which is to conceptualise ones' location in order to identify opportunities, comparative advantage and possibilities on the basis of which new links and relationships could be developed. It is about responding to development opportunities of sub-regions, cross-border regions, functional regions, the delimitation of which is part of strategic competence.

As mentioned earlier, the regional strategies identified and analysed here are all focusing on the county of Västerbotten, a long established state administrative region. It is partly due to the Government missive to use existing counties or regions as the main planning unit in promoting regional growth; partly due to the fact that over time many societal processes have adjusted to that regional delimitation. When other relevant territorial units are mentioned in interviews, they are:

- Northern Sparsely Populated Area (NSPA, 14 northern regions in Norway, Sweden, and Finland),
- The Barents region,
- The Europe Forum Northern Sweden (comprising the four northern most counties)
- The Kvarken Council (cross border cooperation association for the Ostrobothnian counties in Finland as well as Västerbotten and the municipality Örnsköldsvik in Sweden),
- The E12 corridor (municipal co-operation along European highway),

- the coastal region from Luleå in the north to Örnsköldsvik in the south as an integrated region for the cooperation between industry and academia, and finally
- LEADER areas.

All of the above mentioned territorial areas are to some extent overlapping one and other.
There are no clear indications whether alternative territorial alternatives for strategy making were considered. One group among the interviewees clearly answers the question in the negative. The other group of respondents mention territories as listed above, be they of functional (labour market regions) or administrative character. This does not imply that they were considered for common regional development strategies, which might indicate that legislation rather than spatial visioning were more decisive in territorial delimitations for the strategy.

As for the latter aspect of territorial positioning, the possible suggested merger of the four northernmost counties now acting together in the Europe Forum was also mentioned. A Government Commission presented in 2007 its findings on necessary and possible changes for a "sustainable societal organisation for development" (SOU 2007:10), in which larger regions were identified as an important structural change. All Swedish regions have since then been involved in discussions on how to organise, and eventually merge into, larger regions (Swedish Government, http://regeringen.se/sb/d/12757/a/139489). The revised Västerbotten RDS was made effective in 2011 when the Government ran yet another Commission (Swedish Government, http://regeringen.se/sb/d/11395/a/132644) analysing the restructuring of the state organisation. In that process Region Västerbotten presented its favoured idea, which was a new four county region in Northern Sweden (similar to Europe Forum). The idea is contested since bilateral agreements were made between two of the potential partner counties.

### Focus and shared strategic interests

Increasingly strategies are related to development potentials, i.e. regional futures, but strategies may also relate to changes in the outside world, regional problems or shared strategic interests among stakeholders. According to the respondents there are three foci of the RDP/RDS. First, a broad transnational/international perspective, for instance through the Baltic Sea strategy, is in focus. The respondents generally acknowledge the importance of links and interdependence with actors outside Västerbotten and Sweden. Reference is made to the climate debate and how that might affect the bio-energy industry and how China's demand for ore and steel affects the region's mining industry. Other focus on how to draw on

influences and experiences from other regions and the learning processes that takes place between them. Some hold the view that business opportunities create and maintain relations with the outside world and therefore serves as an integral part of the dynamics in the region.

Second, the region itself and its industries are in focus, with a predominant growth perspective. Especially, the respondents stress the importance of building structures that support development and growth in the areas of infrastructure, ICT, education and regional attractiveness. In the short run the creation of new companies and start-ups are important, in the long run supporting and developing linkages and relations between firms and universities are important to increase innovation. The focus on extraction of raw materials and their refinement is exemplified by the forestry, mining and steel industries. This is also where respondents identify development potentials, e.g. in forestry, mining and renewable energy industries, but also tourism, testing areas for the automotive industry and safety and security. Other areas with development potentials include the service sector, creative industries and ICT business.

A final focus area mentioned is support for development processes. One example is to encourage firms to elevate their products further in the value chain instead of just exporting raw materials. Another example is the development potential in activities, methodologies, and vocational training through ESF funded projects.

As for current regional problems, which is an inverted perspective on development potentials, the top ranking issues are the insufficient capacity in transport infrastructure and lack of opportunities for public transport commuting. The ageing and skew demographic structure in Västerbotten is also frequently mentioned. Further problems identified include how to:

- promote and support start-up companies and secure venture capital in early phases of business development,
- increase the population numbers, and
- secure firms' demand for qualified employees.

The two last problems are in certain situations even intertwined, according to one interviewee:

> The problem is to recruit qualified personnel to the smaller municipalities, to which we have no solution at present, will be more pronounced in the coming years. This runs the risk of creating an all too week a tax base to maintain the service level to the citizens in smaller municipalities.

A complementary way of discussing focus areas is to identify shared strategic interests among stakeholders. Shared strategic interest is the identified need to collectively frame strategies and plans, and the importance of cooperation. In Västerbotten, they are clearly overlapping with focus areas. Common interests mentioned include the skew demographic structure, to secure qualified employees for the future and the promotion of a growth perspective. Economic growth is a recurring topic, but conflicting interests include e.g. the promotion of environmental priorities versus exploitation of resources.

### Horizontal and vertical integration

Horizontal and vertical relations play a significant role in (analyses of) strategy-making and also in implementation of strategies. Without delving into lengthy explanations, the concept of vertical integration is closely related with hierarchical political systems with clearly separated responsibilities, whereas the 'new' understanding of relational governance and rescaling emphasise horizontal relations of fuzzier character.

The overwhelming majority of respondents perceive that the Västerbotten RDP/RDS was developed along a vertical dimension. The vertical dimension is understood as either top down or bottom up. The top down relation ties into financial flows for funding from the EU level as well as from the national level to the regional level. The bottom up direction relates to the allocation of funding to certain projects or proposals from the municipal level and from various stakeholders into to the regional level.

A few respondents point to the usefulness of the horizontal dimension to address issues related to labour supply problem and the need to increase the skill levels in the labour force. Others view the horizontal dimension as a vehicle to achieve a cross-sector coordination to cope with the imminent demographic and growth challenges that faces the region.

In implementing the strategies, the general view is that the strategy is not supposed to follow neither vertical nor horizontal initiatives except for two cases. First, the horizontal initiatives relates to equality of opportunities for women, men and ethnic groups. Second, horizontal aspects are perceived to be more relevant regarding ESF funded projects in general.

## Strategy analysis – a concluding comment

The interviewees are proponents of increased co-ordination, co-operation and integration for regional development in Västerbotten. Given the selection of respondents as partners in the development

processes it is not surprising. As has already been mentioned there are some aspects that achieve top rankings irrespective of whether potentials, focus or problems are put forwards in the interviews. Transport infrastructure in a broad sense – physical infrastructure such as railroads, roads and buildings, as well as operation of public transports and planning of future transport infrastructure projects – is in the top of many minds. Two other highly ranked and intertwined issues are (the lack of) population growth and the skew demographic structure in Västerbotten. Apart from these three often mentioned issues, economic and employment growth, firms demand for qualified employees, the alteration of generations within private firms, tourism as an underexploited economic resource and the need for regional enlargement follows. Even though these issues most often are identified from competitiveness and/or an economic growth perspective, the majority of respondents state that sustainability and cohesion are policy ambitions of vital importance as well. A large share of the interviewees argues that the one cannot function without the other.

## REGIONAL OUTLOOK

The previous section concluded that partners involved in regional development strategy making consider regional strategies to be useful and even necessary. Some important issues and aspects of their perceptions regarding regional strategies were also presented. Neither the general views nor the general problems/focus areas are surprising given the location, size, history, economic and political path dependencies and associated patterns of social and cultural interactions that constitute the county of Västerbotten. It could be argued though that the situation is changing given the situation during the better part of the 20$^{th}$ century. Rather than being governed along national rationales, a regional and potentials oriented discourse is being established. Somewhat ironically this enhanced regional approach is supported by subsuming to increased hierarchical co-ordination through adjustment to EU policy agendas.

Mastering and nurturing this partly new situation demands greater knowledge about other actors and resources than those provided by the Swedish government only. Consequently, Region Västerbotten is developing links with other actors inside and outside the region. Some aspects of this strategic networking are presented in the following.

### Regional stakeholders and external networking

The regional partnership has a wide composition, but there are actors or sectors that are poorly represented or not included at all.

The partnership composition bias mentioned earlier, where the business sector was notoriously difficult to include still remains (see Sandström and Ylinenpä 2009 for a possible explanation). Rather than including specific firms, the tendency is to include business organisations and/or Chambers of Commerce. Through these kinds of organisations there is some business representation in the regional partnership in Västerbotten. Civil society or third sector organisations are included in the partnership as well, but their representation does not rest on a specific mandate. As with other organisations, they are included on a stakeholder basis – if you as an organisation and other partnership members agree on a common interest, then you are free to join. As a consequence, ”the system of post-parliamentary government tends increasingly to be one of organisations, by organisations and for organisations” (Andersen & Burns, 1996: 229). From that observation it is not surprising that the general public, the citizens in the region, do not have any specific and direct interest in regional development. Region Västerbotten and others have been seeking public advice through various planning and meeting exercises, but the response is very weak. Since the composition of the partnership is of strategic importance slight changes in organisational participation have taken place, following negotiations some are included whereas others leave.

Some respondents discuss partnership composition as cross-sector co-operation. The majority of respondents deem better cross-sector cooperation as desirable. Some interviewees state that cross-sector cooperation is always desirable, and stress the general importance of strengthening relevant networks. Others suggest that to increase the efficiency and quality of projects the use of a peer review system is desirable. On a more cautious note, some argue that there is partly a duplication of work between the Västerbotten CAB and Region Västerbotten. Others state that there even exists rivalry between the CAB and Region Västerbotten, even though no specific examples are provided.

Specific fields and problems that could benefit from strengthened cross-sector cooperation include relations with the business community, declining population, transport infrastructure, firms need for qualified employees, higher education and cross fertilization between the extractive industries and the service industries. Still, a few respondents advance the opposite view that cross-sector cooperation already exist between the relevant agents.

When considering involving additional regional/territorial stakeholders in the partnership, quite a few interviewees oppose an increase in number of actors. The argument hinges on perceptions

that there already exists a well-functioning dialogue among the relevant stakeholders, or the notion that there are already too many politicians involved. The opposite argument draws on the need to include more private firms rather than business organisations that might to some extent function as a filter for the individual firms.

Partnerships can face or contribute to organisational fragmentation, which can be considered an obstacle if concerted (strategic) action is desired. Among the interviewees some point to the fact that fragmentation can emanate from the fact that public authorities are not always organized along the county dimension. It can be problematic and hinder integrated action. Others mention that a certain area such as the hinterland region unfortunately remains on the shelf, not fully participating. A final example is the creation of too small projects that have difficulties in securing enough co-financing and thus become weak and very loosely co-ordinated projects. Organisational fragmentation is then an issue, however not very clearly stated and – as it seems – not really a substantial practical problem, even though those interviewed put forward issues that call for integrated action. It should also be noted that some interviewees do not consider the organizational fragmentation a problem, and suggest that the formation of Region Västerbotten was and is a way to resolve this issue.

Overall though, integrated action and the present regional development strategic conduct provide valuable preconditions for plenty of promising opportunities in the future. They include entrepreneurship, creation of an attractive residential region, the European Capital of Culture in 2014 (Umeå), tourism, renewable energy (wind power) and development of the triple helix notion. Others identify lost opportunities such as denial of the skew demographic structure in Västerbotten, that the region has not been very successful on the Brussels arena, have failed to secure the healthcare sector's need for qualified employees, or less explicit comments that one could have been more active in the past.

When widening the perspective to include trans-regional actors, the interviewees provides examples such as possibilities for future export markets in the Barents region (North-West Russia), inclusion of a wider business community, coping with the legal right of public access to private land and protection of right to use beaches for development. The Baltic Sea strategy and the accompanying macro region are mentioned in terms of making it essential to obtain gateways for future lobbying. Critical voices claim that such involvement already exist, or argue that one cannot cover everything in one and the same forum.

## Preparations for EU programming

A special case in trans-regional networking is the preparations for EU-programming. It is presented at length here since it is an example of very strategic conduct for access to influence and resources. Generally, the respondents know that Västerbotten took part in preparations for the Structural Fund programme 2007-2013. In a similar fashion they know that similar activities are undertaken as preparations for the next period. One respondent claims correctly that: "the region is active regarding both the budget discussions and to formulate its content". This pro-active approach is manifest through strategic planning networks outside Region Västerbotten. The Västerbotten CAB is also involved in trans-regional networks for regional development, but to a lesser extent. Representatives from each organisation provide illustrative examples, but especially Region Västerbotten provides richer narrative of pro-active lobbying and planning.

The political representation in for example the Assembly of European Regions promotes the Västerbotten and northern perspective within the European Union, but there are also other forums to use for input to and discussions with the European Commission. In some cases Region Västerbotten and the regional partnership provide input on policy and programming on their own, but the region is small and lack resources for serious lobbying. As a consequence the *Europaforum Norra Sverige* (The Europe Forum Northern Sweden – EFNS, http://www.europaforum.nu/) was established at the end of 1990's. The four northernmost counties are since then co-operating through the network in pursuing a common agenda towards the Commission. Two examples are the promotion of their views on the Fifth Report on Economic, Social and Territorial Cohesion and on the Multi-annual Financial Framework post 2013. A third way to provide input to the Commission is through the Northern Sparsely Populated Area (NSPA) network:

*The NSPA network consists of 14 regions in three countries [Sweden, Finland, Norway] sharing common circumstances and objectives, working together to raise awareness of the region in the EU institutions, influence EU policy and to provide a platform for best practise (http://www.nspa-network.eu/).*

From a Region Västerbotten point of view, they choose the forum for dialogue with the Commission that suits their needs best, which also holds true for the other participating regions. Before any action is taken in each of the forums, not all issues can be dealt with. Other forums can then be used, or one actor can produce papers that present their own views on a given issue. The organisational chain for input to EU policy is then, in sum: Region Västerbotten → EFNS → NSPA → the European Commission in Brussels.

The NSPA is a case that provides insights into how integrated efforts can provide valuable outcomes. According to interviewees the NSPA has achieved a position in relation to the Commission that is rather unique and shared by perhaps a handful other regions, where a high level of trust from the Commission has developed. One indicator is that the NSPA have meetings with the Director General for DG Regio. It allows the NSPA to put forward their views directly. In return, the Director General seeks NSPA advice on policy and programming measures. This position has developed strongly since the NSPA was established in 2008, but even before then the northern EU-offices in Brussels were co-operating which resulted in among other things extra funding to sparsely populated northern areas.

The research institute Nordregio produced a report on the situation for the northern sparsely populated areas in Sweden, where the necessity of the extra EU funding was identified. This report was used in negotiations for the previous programming period. During 2008 the EU-offices asked Nordregio to produce a new study where a 2020-vision for the northern areas could be developed. This vision was then successfully put on the agenda at a meeting with the present Director General, where he acknowledged the analysis and asked for policy suggestions based on the analysis. As a consequence, the present setup of the NSPA-network was established.

The NSPA network consists of two politicians from Sweden and Finland respectively, and one from Norway. Added to this are five public officials (2+2+1) in the regions, plus the Directors of the five regions' EU-offices in Brussels. During the autumn 2008 the NSPA held its first meeting in order to provide a response to the Director General. A position paper was produced and presented early 2009. The response from the Director General was positive, especially since the paper made manifest a change in attitudes among politicians in Northern Scandinavia. Up until 2007-2008 they defined and presented the region as in need for external support due to the sparseness. However since 2008 the focus has rather been on sparseness, but with an extreme regional productivity and growth potential. Politicians in the region use growth rhetoric, arguing that the potential for growth can be further enhanced through funding from the EU.

The NSPA-DG Regio dialogue has since then continued, where the next step was a NSPA response to the Fifth Report on Economic, Social and Territorial Cohesion mentioned above. Analysis and discussions on territorial policy measures in relation to the specific

geographical conditions in the NSPA area provides nuance and a more detailed understanding of their EU-wide consequences. From a national point of view the NSPA might also provide a more nuanced picture of Sweden's preconditions for regional development. In terms of priorities in the RDS – developed industrial processing, service and cultural economy, demography – they are also clearly stated in NSPA papers.

EFNS – i.e. the four northernmost counties in Sweden – have relations and connections with politicians and officials at the national level, but they are not as well established as with DG Regio and the Commission. The Ministry of Enterprise, Energy and Communications is responsible nationally for the management of the EU Structural Funds. EFNS has a fairly well established relation to politicians and officials within the ministry, and there is a general compliance in political perspectives and measures. The Ministry of Finance is also important for regional development, but according to interviewees there is a lower level of mutual understanding. From an EFNS perspective more EU funding is desired, whereas the Ministry of Finance rather strives towards limiting funding for territorial cohesion. This is arguably where further nurturing of relations and networks is needed.

In presenting this situation, these networks, a large gap in understanding among actors in the regional development networks. The initiated description of actions and perspectives put forward from Region Västerbotten is not even nearly as developed among other actors. It seems this is where further integration of ideas, actors and resources could be of real and important value for the development of Västerbotten. A coordinated view of important issues codified through the RDS is of great importance for the external networking and lobbying. However, judging from the perspective of the interviewees outside Region Västerbotten, there is a lack of feedback and information from Region Västerbotten to other regional actors. From the reverse perspective there also seems to be a lack of interest and realisation of the strategic value of these external networks.

## Conclusions in relation to RISE intentions

Each case in the RISE project aims to present findings related to the level of policy integration and/or options for increased integration in order to improve the capacity for regional planning and strategic development. To achieve this, for themes including concepts and operational questions have been identified:

- Policy integration
- Policy transfer and learning

- Meta-governance and new forms of governance
- Collaborative planning

In the following the empirical case of Västerbotten provided above will be analysed in relation to each theme.

## Policy integration

For the purpose of the RISE project a conceptualisation of policy integration has been made. It is a process of either co-ordinating or blending policies into a unified whole, or of incorporating concerns of one policy into another. It thus refers to the process of sewing together and coordinating policies across horizontal and vertical levels of governance. If necessary they can be modified to ideally create an interlocking, hierarchical, loosely-coupled, multi-level, policy system that functions in unity. The output of such an integration process will be an integrated policy system aiming to achieve multiple complementarities and synergies.

An initial analysis of policy integration in Västerbotten is made along the following concepts:

- Sectoral integration and its two sub-forms: cross-sectoral and inter-agency integration
- Territorial integration: vertical integration (policy coherence across spatial scales) and horizontal integration (policy coherence between neighbouring authorities such as nations, states, regions etc and areas with some shared interest)
- Organizational integration: co-operation between parties in the form of organizational integration. Different forms are:
    - 1) strategic integration (the alignment of linked strategies, programmes and initiatives); and
    - 2) operational integration (the alignment of related delivery mechanisms), including a coupling between (strategic) spatial visions, objectives and spatial concepts at the one hand and operational decision-making (including concrete investment on the ground) at the other hand.

The Västerbotten strategy documents (the national growth strategy, RDP/RDS, RGP) contain flavours of sectoral, territorial, and organizational integration. In terms of sectoral integration the cross-sectoral (dimension of) integration includes relations between the regional growth strategy, national employment policies, and the EU cohesion policy. National and regional ERDF and ESF programmes are also integrated issue-wise even if not along previously established sector organisation, e.g. focus on entrepreneurship and competence rather than industry and education. Inter-agency integration can be exemplified through the Structural Fund Partnership where state agencies, municipal actors and e.g. labour market organisations make consensus based decisions on project funding. Territorial integration can be exemplified through infrastructure investments. They include both

vertical (across national, regional and local scales) and horizontal integration between neighbouring authorities. Infrastructure and transportation are among the top three development issues mentioned by the interviewees which indicate its importance also in relation to development potentials. Organizational integration is most pronounced in the coupling between strategies, prioritized projects and funding of the latter. One could argue that this coupling is the backbone of the regional growth strategy in Västerbotten. An outside observer commented that this coupling could be characterized as a form of 'retrofitting' projects to funding.

For Västerbotten the tying together functions through the strategic focus in RDP/RDS and the operational focus in the RGP, are put into action through the coupling of priorities and objectives with project funding. The coupling is guided by the six RDS priorities.

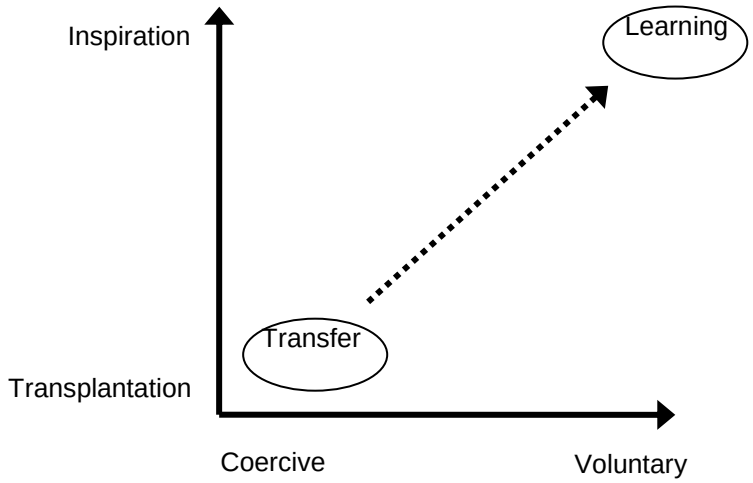
Other than the strategies studied and analysed here, municipal comprehensive planning can possibly be understood as integrative. One aim with comprehensive planning is to prioritise and co-ordinate interests and actors in urban development. The municipalities do this from a land use planning monopoly, but with some restrictions. They concern state and national interests (military, transport, nature and culture preservation etc.) that can overrule municipal planning. However, they need to be negotiated with the relevant municipalities. Therefore they are not an obvious example of policy integration.

## Policy transfer and learning

One of the key assumptions of the RISE project is that policy integration in the case study areas will show high level of situated practices or contextuality. Each case is unique to a certain extent since the level and kind of integration depends on a number of regional contextual factors. In such a case, the validity of comparative studies between different regional contexts will be restricted. Having noted that, policy transfer and learning are both desired and achievable.

In the figure 2 below some aspects of policy transfer are illustrated as continua between conceptual extremes. The figure combines the continuum between transplantation and inspiration and the continuum between coercive and voluntary transfer. At the bottom end (coercive transplantation) transfer is at its extreme of accuracy and at its extreme of contextual barriers to cross. At the opposite end, voluntary and inspiration, transfer is taking place as a learning process during which contextual borders are eliminated as part of the learning process.

*Figure 2. Conceptual illustration of policy transfer and learning*




Even though the axes in the figure are very relevant – degree of voluntariness and form of transfer – some aspects might be relevant to further consider. The case of Västerbotten, or more generally – the case of regional development policy, indicates that the "object" is a fairly evasive one. How is it possible to transfer dialogue and discourse, history and national systems that provide contextual preconditions to another setting? As mentioned in the literature contextual similarity most likely enhances the possibilities for transfer, where larger disparities will obstruct transfer (Jong & Mamdough 2003, Loughlin 1999). To avoid these barriers, what is transferred easily becomes abstract, technical and of potentially limited use.

Especially the technical aspect of policy is central since what can more readily be transferred are knowledge that can be codified, i.e. written or transported and presented through other kinds of (static) media. Therefore abstract ideas, such as sustainability, growth, governance, are easily shared, but tend to neglect context. Methods and/or approaches are also attractive to share, for the same reason. They can be of great use, and influence practices in organisations and regions. However, situated knowledge can also be shared, but in different ways. These kinds of knowledge refer to local practices and discourses, which can be transferred through prolonged and participatory visits to actors in other contexts. Learning of this kind is arguably not very suited for inclusion in the RISE toolkit.

Repeatedly through the case study the need for setting a new agenda has become evident. Rather than expecting the state to

solve regional problems, Västerbotten actors are approaching development from a regional perspective and forming coalitions and alliances with actors that can support regional development ambitions – irrespective of geography or scale. The perspective is not radically innovative, but from the story of the initiation of the NSPA it became clear that a well-informed research study provided important arguments for a change in attitudes and actions. The actual formulation of what to transfer from this experience is difficult, but relates to the capacity to identify crucial knowledge needs. The changing world views was further promoted through an EU funded and research-based project identifying and constructing regional databases and knowledge, analytical methods to be applied in policy planning and implementation, and a large number of external lectures, presentations and seminars in the region. This particular project has been mentioned as influential in interviews.

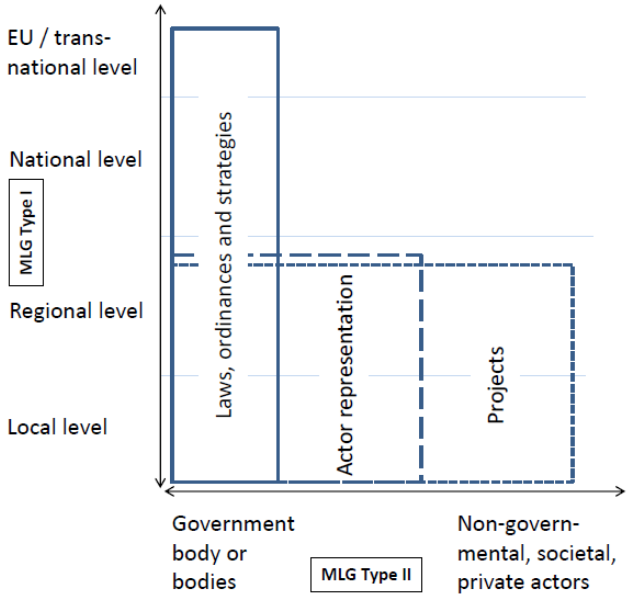
In the context of RISE comparison Västerbotten has a distinctively rural character, with 77 per cent of land surface being covered by forests, and only 0.3 per cent with artificial surfaces and 1.7 per cent agricultural areas. Further, the Västerbotten NUTS 3 area is six times larger than the Randstad region, with a population of roughly 260 000 and with a maximum distance from east to west of some 380 kilometres. Co-ordination and integration of regional development policy is therefore challenged by the distances and small population base (hence economy). Given these preconditions and barriers the integration seems to be achieved fairly well.

Integration is further promoted through procedures for matching of ideas, political will and funding. Relatively speaking, and connecting to the previous point, Västerbotten has a strong public sector – in relation to other member states within the EU, to other RISE case regions and to other regions in Sweden. Regional development strategy making is territorially organised along state administrative borders, which removes obstacles for conflicting and/or confusing ambitions. A strong public sector within a clearly delimited region, where a large share of development resources emanates from EU funding are factors that favour integration. On top of that the formalised routines for matching funding with development ambitions further provide "grease" for increased integration.

This conclusion could be expected from a perspective where multi-level governance Type I (Hooghe & Marks 2001) is prevalent, and somewhat contra intuitive in a situation where Type II is exercised. The first type is defined as co-ordination of decision making between non-intersecting general-purpose territorial jurisdictions arranged in a hierarchical way. The second type is understood as governance as a complex, fluid, patchwork of innumerable,

overlapping jurisdictions centred around particular tasks or policy problems. Putting the two types together allows for a positioning of multi-level governance in Västerbotten, figure 3.

*Figure 3. Multi-level governance in Västerbotten*




A final comment on multi-level governance concerns possible barriers for integration. Phelps & Tewdwr-Jones (2000) identifies power as the most important barrier to functioning multi-level governance Type II. It could be argued that the Västerbotten regional development strategy making is organised in a way where political power is a useful resource for co-ordination. Consequently then, other forms of dialogue than those established might be needed if a change towards Type II governance is desired. Such a change could on the other hand contribute to reduced levels of policy integration.

## Meta-governance and new forms of governance

*Metagovernance is a way of enhancing coordinated governance in a fragmented political system based on a high degree of autonomy for a plurality of self-governing networks and institutions. … [M]etagovernance is an indirect form of governing that is exercised by influencing various processes of self-governance. (Sørensen 2006: 100)*

The indirect ways of governing emanates from an ever increasingly complex world where no actor has the capacity to rule independently of other actors. As a consequence governance networks are developed (more below), but also ways of governing governance networks. As for Västerbotten the hierarchical adjustment is still evident, if nothing else from its sheer existence. The law on the establishment of co-operative municipal bodies in

counties is legal foundation that provided the opportunity for its establishment. A second example is the ordinance on regional planning for economic growth. The two documents set the legal foundations for the regional growth process and prescribe that a strategic plan should be established. It is also stated that objectives within the plan should be implemented with third party involvement.

The process of regional integrative strategy making is further embedded via the national strategy, which is supposed to serve as "a platform for a holistic approach and sector co-ordination for regional competitiveness, entrepreneurship and employment. At the regional level the RDP has the same function" (2007, p. 6). Further, the regional development processes are also to adhere to Structural Fund regulations and processes, locally e.g. in relation to Structural Fund Partnership meeting, on the EU level in response to the multi-annual funding frameworks. These are some aspects of institutional preconditions, and it seems that they cause very little reflection among those interviewed. None of the respondents' made any specific comment on whether the hierarchy in the form of meta-governance was perceived as positive or negative for the outcome of the regional integrated strategy making process.

They are however included in the process of developing regional integrative strategies. There are at least three different stakeholder constellations that comprise the regional partnership (as described earlier):

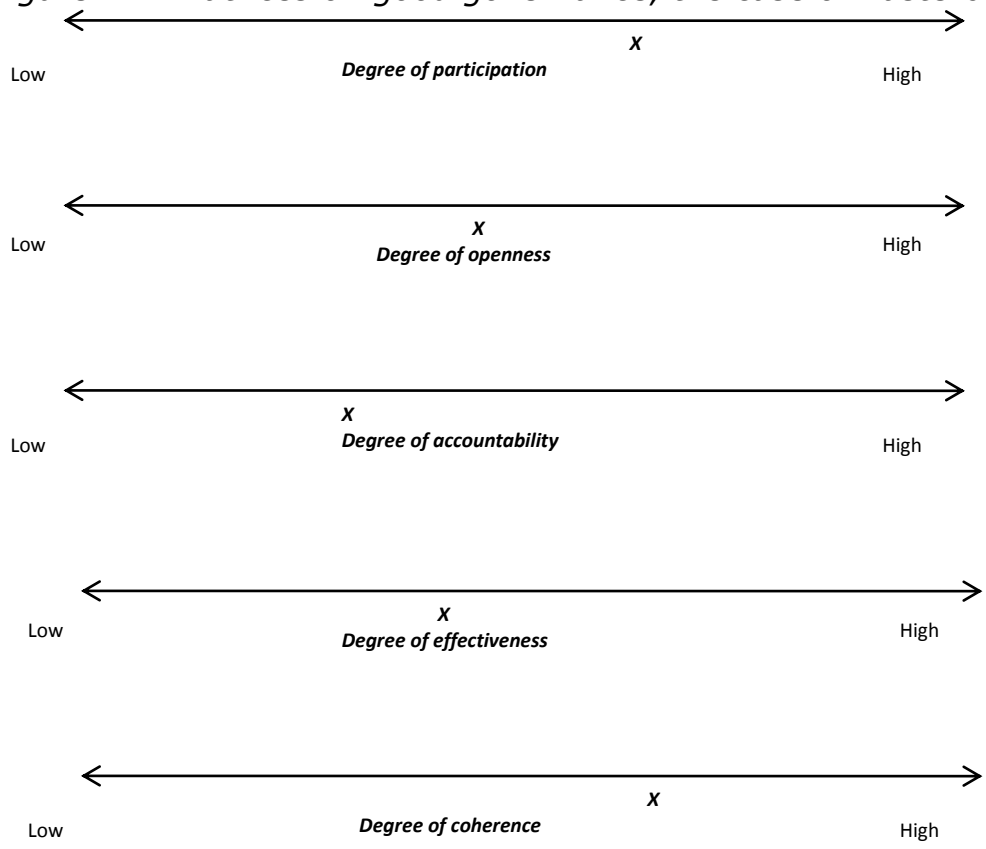
- *The structural fund partnership* is a cross regional partnership between the two northernmost counties Västerbotten and Norrbotten. Stakeholders include municipal and county council politicians, labour market organisations, and regional state agencies, private and non-governmental organisations.
- *The development partnership* is a regional partnership with public and private sector, Universities, labour market organisations, ngo:s, the Sámi parliament, the chamber of commerce, the federation of business owners, the Swedish transportation administration, and the Swedish forest agency representatives.
- *The consensus group* is a regional partnership with representatives from the structural funds partnership and region Västerbottens regional board. The primary task of the consensus group is to make sure that applications for funding meet regional measures and priorities.

Changes were made in the composition of the development partnership which indicates that it is not ideally crafted for the purpose. The effectiveness and smooth operation of a governance network can be analysed along six indicators developed by Sørensen and Torfing (2009). The governance network in Västerbotten has from that perspective accomplished to produce: joint policy decisions (item 3), flexible policy solutions and public services (item 5), and created favourable conditions for future

policy co-operations (item 6). It has ensured a smooth policy implementation at least for stakeholder organisations, public administrators and politicians (item 4). The governance network has to some extent accomplished to produce a clear and informed understanding of the policy problems and opportunities at hand (item 1), as well as produce policy options that match joint perceptions of problems and challenges (item 2).

Another way of framing the efficiency of a governance network is to use matrices for good governance (figure 4 below). The overall ranking of the decision making process on regional integrative strategies suggests that the answer is affirmative; the organisational setup can be identified as delivering good governance. The weakest aspect concerns accountability. No evident and built in mechanisms or procedures on how to handle short comings or failure have been identified. This relates to the achievement of planning ambitions through targeted priorities and objectives in the strategies, hence the lower score for the accountability dimension.

*Figure 4.1. Matrices on good governance, the case of Västerbotten*




A final dimension of analysing the Västerbotten regional integrated strategies are whether they relate to hard or soft spaces. Hard spaces follow clearly demarcated administrative territories, whereas

soft spaces refer to governance networks and coalitions that follow other spatial logics. They tend to have more fuzzy delimitations and jump scales.

It is then obvious that the spatial focus of the strategy is predominantly hard, mainly organised along the county of Västerbotten borders. The soft space dimension is most clearly pronounced in international co-operations and networking through policy networks and though transnational project funding.

## Collaborative Planning

As has become clear, present planning practices are no longer endeavours for planning experts only. Other actors and perspectives are included in governance networks. As a consequence the scientific and expert knowledge that guided planning earlier is now one of many information sources. In this plethora of perspectives and information sourced, it is argued that dialogue and negotiations are essential instruments for successful planning. However, information shared needs to fulfil certain criteria. It: "does not influence unless it represents a socially constructed and shared understanding created in the community of policy actors" (Innes 1998, p. 56). Shared understandings are developed through a variety of communicative processes among stakeholders, a process that could be termed *collaborative planning.* One aspect of collaborative planning is public participation, which simultaneously is expected to increase the quality of planning decision and to legitimise planning projects.

Transferring the regional development responsibility from the Västerbotten CAB, a state owned agency, to Region Västerbotten, a co-operative municipal body brought along a shift towards increased democratic control. Region Västerbotten is governed by a regional council and a regional board, populated by politicians from the region. However, they are not elected directly for their positions within Region Västerbotten, but for positions within the municipalities and the County Council. Their mandate is indirect. Public influence on regional development issues is therefore weak. When RDP/RDS was produced a large number of contacts were taken with potential and already identified stakeholder organisations. In the process sessions were also organised where the public, the inhabitants of the region, were invited to put forward their views. The outcome was meagre; very few actually used the opportunity for influence.

Public participation is sought when strategies are formed and/or organisational changes are pursued. From the interviews there are no indications of routines or actions for increased public

participation in the everyday practices. One interviewee responds that not only is the public participation difficult to manage, it is also difficult to identify the public in an operational sense. Who could be identified as interested? And further, as mentioned earlier, since governance tend to favour organisational participation, the public is somewhat excluded due to no obvious organisational routines for voicing their interest other than at public elections.

Finally, the objects for regional development strategy making are mainly non-tangible. Judging from physical planning public participation tends to be low as long as no specific investments in buildings or other objects take place. Once the actual investments are near construction the public interest can be expected to RISE.

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## Interviewees

Erik Bergkvist, President, RegionVästerbotten.

Harriet Classon, Municipal executive board, Skellefteå municipality.

Kerstin Nilsson, Council member, Västerbotten County Council.

Marie-Louise Rönnmark, Mayor, Umeå municipality.

Ewa-May Karlsson, Mayor, Vindel municipality.

Maria Östberg, The Swedish trade union confederation, Västerbotten.

Chris Heister, County Governor, County Administrative Board of Västerbotten.

Anna Viklund, Swedish public employment service, Skellefteå.

Birgit Högberg, Swedish Disability Federation, Västerbotten.

Ulf Edlund, Umeå University, Umeå.

Tomas Lundmark, Swedish University of Agricultural Sciences, Umeå.

Gun-Karin Karlsson, Chamber of Commerce, Lycksele.

Torbjörn Halvardsson, Swedish Federation of Business owners, Umeå.

Ann-Mari Lindgren, Västerbotten county educational association, Umeå.

Anders Ågren, Mayor, Umeå municipality.

Katarina Molin, Head of financing and planning support, Region Västerbotten.

Anne-Louise Lindqvist, Manager, County Administrative Board of Västerbotten.

Birgitta Heijer, County Director, County Administrative Board of Västerbotten.

Kajsa Pösö, Departemental manager, County Administrative Board of Västerbotten.

Torkel Stinnerbom, reindeer owner, member in the structural funds partnership.

Thomas Westerberg, Head of planning, Region Västerbotten.

Niklas Gandal, Development planner, Region Västerbotten.

# RISE
# REGIONAL INTEGRATED STRATEGIES IN EUROPE

Targeted Analysis 2013/2/11

Case Study Zealand Region
Version 2
28/feb/2012

This report presents the interim results of a Targeted Analysis conducted within the framework of the ESPON 2013 Programme, partly financed by the European Regional Development Fund.

The partnership behind the ESPON Programme consists of the EU Commission and the Member States of the EU27, plus Iceland, Liechtenstein, Norway and Switzerland. Each partner is represented in the ESPON Monitoring Committee.

This report does not necessarily reflect the opinions of the members of the Monitoring Committee.

Information on the ESPON Programme and projects can be found on www.espon.eu

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This basic report exists only in an electronic version.

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## Background analysis

### The region in national planning

Zealand Region (Region Sjælland) is one of five administrative regions in Denmark, established by the administrative reform in 2007. The former 14 counties were merged into five regions, two of which – Zealand Region and the Capital Region -- cover the entire island of Zealand, the southern islands of Lolland and Falster and Bornholm (inserted in figure 1). Zealand Region covers an area of 7273 km$^2$ with 819,222 inhabitants (2011). Its proximity to and functional cohesion with the Capital Region (2561 km$^2$ with 1,680,271 inhabitants) is one of its characteristics. The Zealand Region is the only region in Denmark that does not include a major city. Rather, it consists of a number of equally medium-sized cities. Zealand Region includes the areas within commuting distance of the Danish capital of Copenhagen, thus benefitting from the economic development of the capital area. However, Zealand also includes peripheral agricultural areas characterized by lack of economic growth. Generally, Zealand Region suffers from comparatively low growth rates, high unemployment, a low education level, health problems among its citizens and a low level of private investment in innovation.

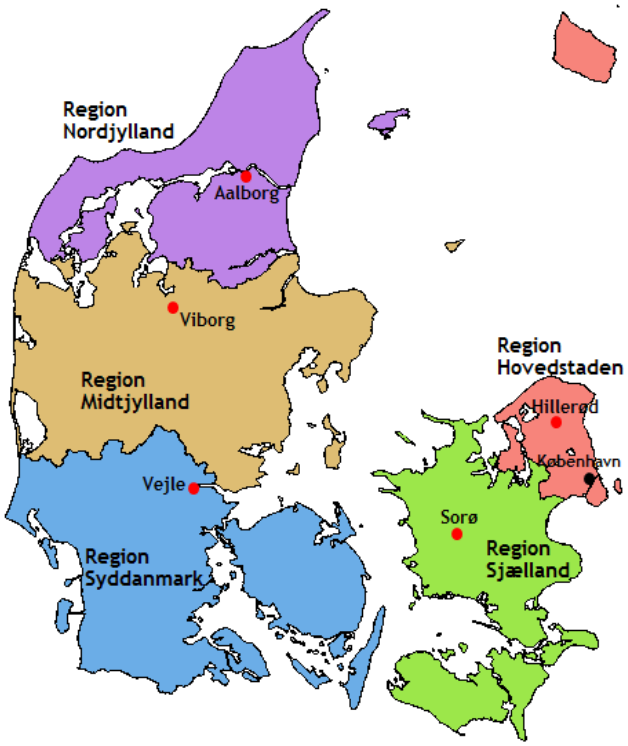


Figure 1: The administrative regions of Denmark. Zealand Region (green) and the Capital Region (red) cover the whole of the Zealand Island, the

southern islands of Lolland and Falster and Bornholm, situated in the Baltic Sea and part of the Capital region, here inserted in the upper right corner.

Zealand Region's proximity to Copenhagen has had a major influence on commuting patterns, business development and the geography of income.

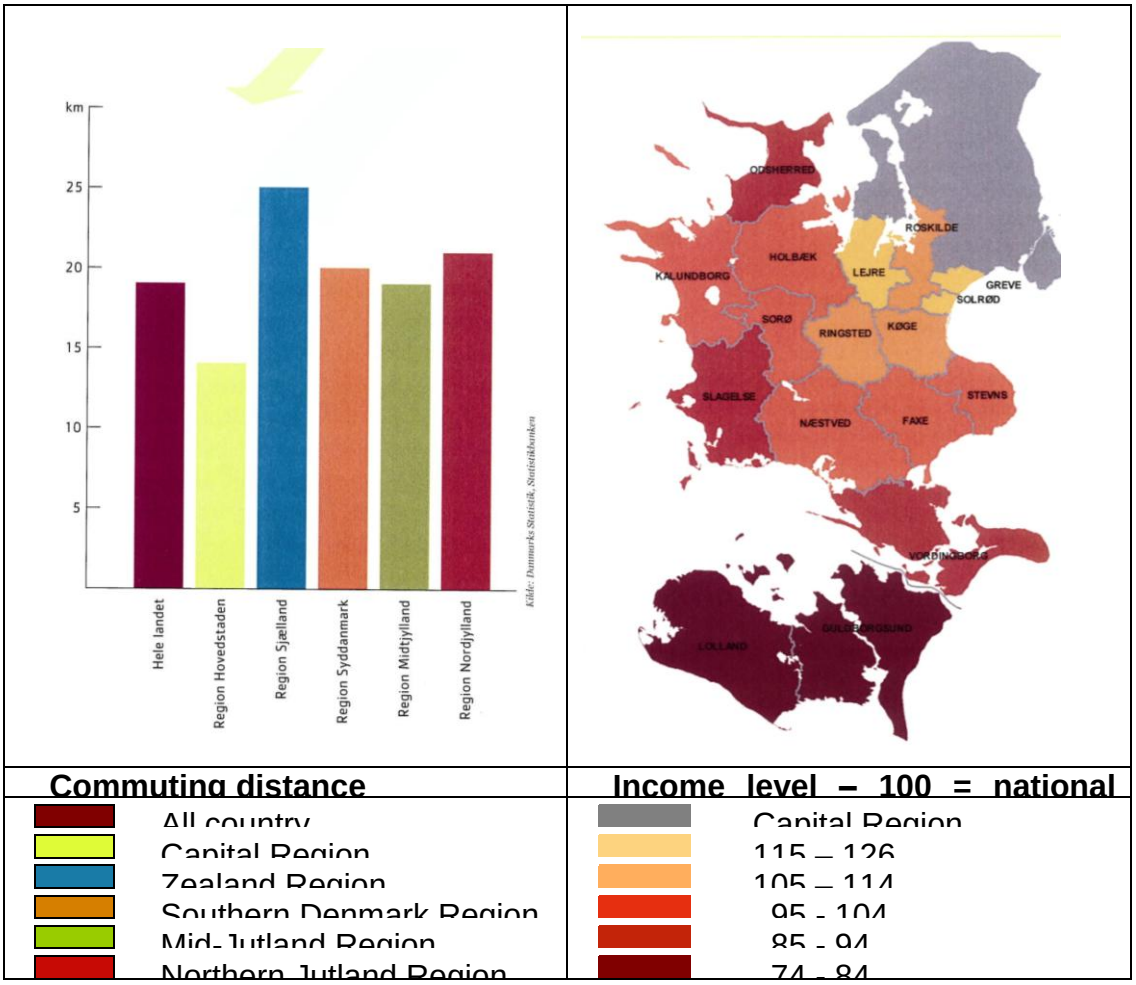


Figure 2: Commuting and income, Zealand Region. The level of income in Zealand Region is below the Danish national average. This is due especially to the low levels of profits in the business enterprises and to higher levels of unemployment. People in Zealand Region try to compensate for low wages by long-distance commuting to better paid jobs in the capital region. This is especially true for those living in the municipalities bordering the Capital Region.

In this case study of Zealand Region, we start with a short contextual and historical description of the national spatial planning system, focusing upon national regional policies and regional planning.

Next, we describe the major changes in the planning roles of the regions and municipalities that grew out of the Danish structural reform in 2007. The

former regional planning role has been cut back in favour of regional strategies set up by the regional council, in cooperation with regional 'Growth Forums' and with the municipalities. These stakeholders must cooperate on rather equal terms in order to formulate integrated regional strategies. In this case study, we present two major strategies: the regional development plan and the regional business strategy.

The national typology and strategies for the region are also described in order to illustrate the key development issues in the region as seen from the vantage point of the national government. The national government does not direct the regional planning. The government offer only general trend analyses and suggestions for the development of the region. However, the national images are for the understanding of the regional development in the national context.

The main part of the case study describes two regional integrated strategies. We have information about the first strategies formulated following the reform in 2007 and the subsequent strategies formulated in 2011. We can compare the processes and discuss the development in use of tools and methods.

**The national planning system**

In this presentation of the Danish planning system, we deal jointly with spatial planning and regional policy, two different policy disciplines, the first focusing upon spatial order the second upon economic order. At the national level, the two policy disciplines are each nested in their own ministry, spatial planning in the Ministry of the Environment and regional policy in the Ministry of Economic and Business Affairs. Since the emergence of the first law on urban planning in 1938 and the first law on regional development in 1958, the policy frameworks of the two policy disciplines changed, as did the names and responsibilities of the ministries and the 'styles' and content of planning and policy. In table 1, a brief overview is presented.

During the first period, from 1949 to 1970, spatial planning developed as a professional discipline and as a legal framework. The period was characterised by a focus on problem-solving (urban sprawl, the functioning of cities, protection of nature, heritage and land use interests). In the planning system, no role was yet given to the regional tier. However, this does mean that the regional dimension of urban growth and planning was ignored. The most important development of the legal planning framework was the Urban Regulation Act, passed in 1949. The act implemented the zoning of urban development areas around the largest cities with the purpose of preventing urban sprawl and ensuring rational gradual urban development. For each developmental zone, urban development boards were appointed by the government. At the local level, it was acknowledged that inter-municipal

coordination of urban planning was needed prior to the zoning. Therefore, during the late 1950s and 1960s, voluntary regional planning was conducted jointly by the local authorities, under the leadership of the regional centres.

As concerns regional policies, local stakeholders persuaded the parliament to focus more on unemployment in the peripheral regions. The issue was intensely debated in the late 1950s, and a law on regional development, focusing upon development of peripheral areas, was approved in 1958.

After a municipal reform in 1970, the planning system was generalised, and all types of land were included as objects for planning. The problem- solving perspective, focusing upon urban growth areas, was augmented and even replaced by a systemic planning perspective. A planning system, organised into three tiers, was organised. In each of the 14 new counties, regional planning was made obligatory. Urban systems were introduced as an object of planning, and development of a new planning methodology for the rural areas began. The urban system planning, however, proved unsuccessful. The planning principles did not match the real problems and the limited powers of the regional councils. Furthermore, the municipalities soon became hostile to regional intervention in their urban affairs. Outside the cities, however, regional planning in the rural areas was boosted by the development of the GIS techniques, facilitating analysis of conflicting land use interests and by a public sympathy for environmental protection and protection of nature.

**Table 1: The development of regional planning and regional policy in Denmark.**

| | **Regional planning** | **Regional focus of regional planning and policy** | **Regional policy** |
|---|---|---|---|
| 1949 | Act on urban regulation | Monitoring urban growth and sprawl in urban growth regions | |
| ……. | Voluntary regional planning | Inter-municipal coordination of urban development plans in appointed urban growth regions | |
| 1958 | | Development of peripheral regions | Regional development act |
| *1970-* | *Administrative reform: Formation of 14 counties – former 1300* | | |

| | | | |
|---|---|---|---|
| *74* | *municipalities merged into 275 larger municipalities*<br>*Planning reform: Planning in three tiers over the entire territory (not just urban growth zones)* | | |
| 1970 | Urban and Rural Zones Act | Protection of the entire rural land and country side in Denmark.<br>Zoning tools for monitoring urban development and summer housing. | |
| 1974 | Municipal planning Act<br><br>National and Regional Planning Act<br>*Regional planning* | Municipal plans within the framework of regional plans<br><br>Regional urban systems, protection of land use interests and environment in the rural areas and countryside | |
| 1990 | | Emerging political understanding of the need for urban competitiveness and development of all regions | Repeal of Regional Development Act |
| 2005 | | Economic and business development of all regions | Business Development Act<br>*Regional Growth Forums*<br>*Business development strategies* |
| *2007* | *Administrative reform: consolidating 14 counties into 5 new regions; merging 275 municipalities into 98 municipalities*<br>*Planning reform: Spatial planning in two tiers: planning of rural areas transferred from regional to municipal responsibility; regional planning transferred from regulatory to soft tools.* | | |
| 2007 | The Planning Act<br>*Regional spatial development plans* | Coordination of regional stakeholders | |

Figure 2 shows the simplicity and logic of the three-tiered planning system as introduced by the planning reform in 1970-74. In practice, the system eroded and was eventually replaced by a division of labour between the (weak) regional councils that administered the rural areas and (strong) municipal councils which dealt with urban development and urban restructuring.

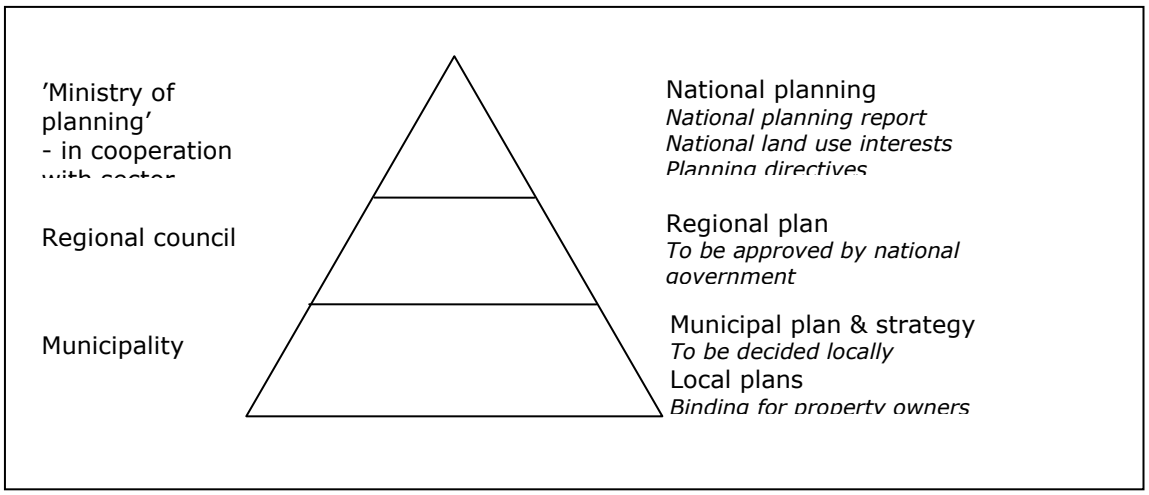


Figure 2: The Danish spatial planning system as implemented in 1970-75. Regional planning was made obligatory. Municipal plans were to be enacted by the municipal council following public consultations. For each of the three tiers, the plans covered the entire land of jurisdiction, increasingly detailed in hierarchical order - from national guidelines and planning directives, via regional plans to municipal and local plans. The simple logical system, however, was eroded by the changes of the planning agenda from urban growth to urban restructuring and by municipal dissatisfaction over regional intervention in urban issues. Municipal planning strategies were introduced only in 1992.

The slowdown of urban growth in the aftermath of the oil crises and the economic restructuring following the fall of the Iron Curtain in 1989, created an agenda of urban restructuring and urban competitiveness with global ramifications. A shift of the regional policy paradigm also took place in the early 1990s. A governmental initiative to boost the development of Copenhagen resulted in a change of the regional policy agenda. Copenhagen suffered severely from loss of manufacturing jobs and reduced competitiveness with other European capitals. These problems paved the way for a general understanding that 'What is good for Copenhagen, is good for the country'. The time was ripe for replacing the regional subsidies with growth policies for regional centres. The Regional Development Act of1958 was repealed in 1990. In 1992, the national planning report introduced urban SWOT analyses and the idea of urban competitiveness in a global perspective. Meanwhile, the reduction of national regional policy in 1990 was compensated by the intensification of EU regional policy in 1989, under the

umbrella of structural funds, and a turn from regional relocation funds to an effort to stimulate the economy by exploiting regional resources and potentials (Illeris 2010, p. 199ff).

The idea of regional clusters and unique niche production became popular as a common point of departure for a growing number of initiatives based on local and regional networking between municipalities ('forming urban circles'), regional councils and local business leaders. Some of these initiatives were encouraged by a 1992 law on municipal and regional participation in business development. The period was characterised by a plethora of initiatives, including EU structural funds, regional and local business initiatives and national efforts to provide local business consultancy and coordinate local and regional actors. The agenda had finally changed from assistance to development (Halkier 2008).

At the national level, the issue of peripheral regions remains a priority, but it lies within the framework of development strategies for all regions. Figure 3 shows the peripheral regions that have benefitted from this policy. Table 2 shows the amount of DKK per inhabitant provided to the regional Growth Forums.

**Table 2. Funds available to the regional Growth Forums, 2007-2008**

| Growth Forum | Millions of DKK | DKK per inhabitant |
|---|---|---|
| Capital Region | 312 | 195 |
| Bornholm | 70 | 1.635 |
| Zealand | 285 | 348 |
| Southern Denmark | 386 | 323 |
| Mid-Jutland | 377 | 305 |
| Northern Jutland | 339 | 586 |
| All | 1.769 | 323 |

Source: Illeris (2010), p. 55.

Table 2 reveals the peripheral status of Northern Jutland and Bornholm, the favourable position of the Capital Region and the relatively equal positions of the Zealand, Southern Denmark and Mid-Jutland regions. The data indicate that regional development has become a general issue in all regions, now supplemented by a concern for the special needs of the peripheral areas.

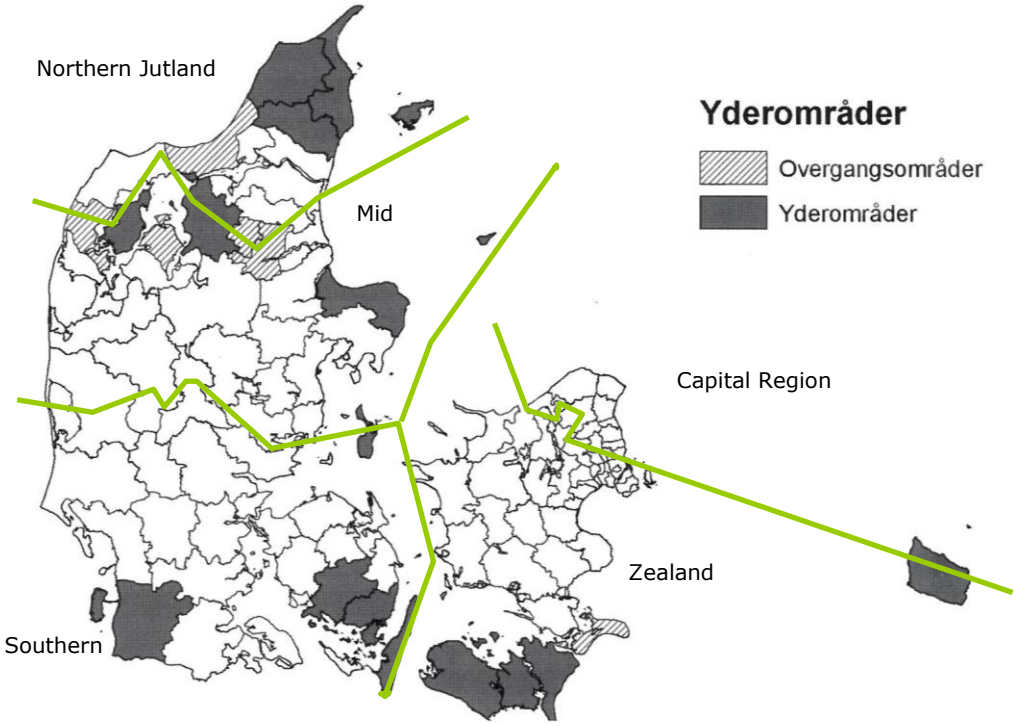


Figure 3. Peripheral areas and transition areas 2007-2013 (Illeris, 2010 p. 55, delimitation of regions added).

**The role of the regional authority**

With the 2007 administrative reform, the role of the regional tier changed dramatically. The former 275 municipalities were merged into 98, the 14 counties were abolished and five new regions were established. The regions are governed by regionally elected politicians, but they do not have authority to collect taxes, as with the former counties. They are restricted to operate within the budgets allocated by the national and local government.

The core responsibility of the regions is hospitals. Alongside this, the regional councils have to prepare spatial regional development plans. However, they map only the general content of the regional development plan (Danish: RUP). Mapping land use zoning is no longer part of the plan. The RUP has no legal or administrative authority over the municipal plans, although it is stated that the municipal plans must be in accordance with the RUP.

The new planning system is shown in figure 4.

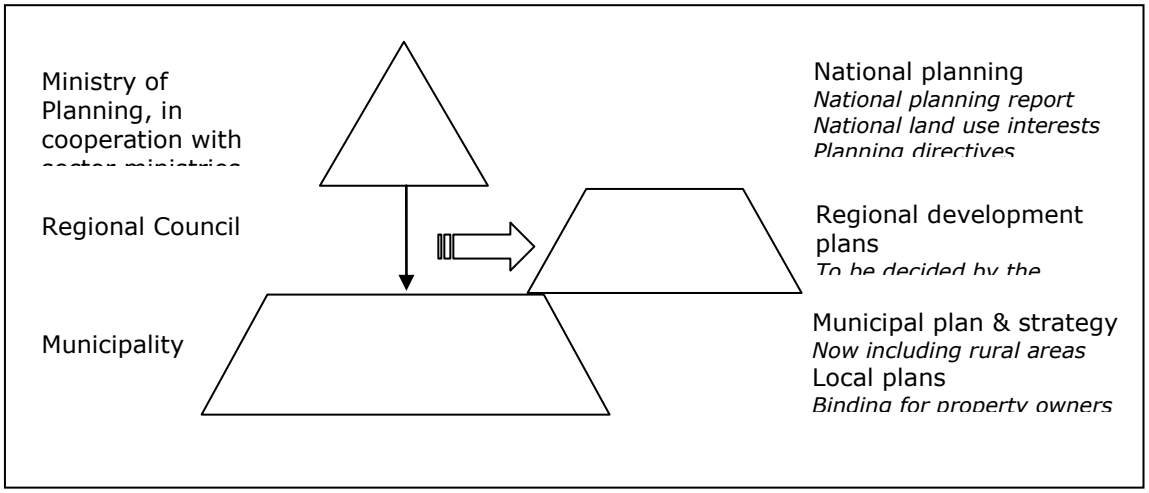


Figure 4. The Danish spatial planning system since 2007.

The regional plans, formerly with a focus on land use, have been transformed into development plans. Land-use planning in the rural areas was moved from the regional to the municipal level. The role of the regional development plans has been transformed from land use to a non-binding strategic and communicative instrument, the role of which is to facilitate dialogue between all regional stakeholders: public and private, local and regional.

A new regional policy institution was also established to facilitate regional development. This is the Regional Growth Forum, containing public and private stakeholders responsible for preparation of the regional business strategy and action plan (see below). The regional development plan uses the regional business strategy as its core input. The new system has weakened the role of regional spatial planning, but a new regional development instrument has appeared. It remains to be seen how this process will develop.

When comparing the former regional plans and the new regional development plans, the latter seem to be seriously deficient. One should, however, take notice that something *else*, rather than something *less*, has come into play. It is stated by the Danish Ministry of the Environment (2007, p. 16) that cooperation rather than regulation has come to the fore: “Regional spatial development plans are a collective project between the municipal councils, businesses, the regional council and the other actors in each region.” Cooperation is a soft measure: You can invite people to meet, but you cannot compel them to cooperate. Hence, Illeris (2010), Halkier (2008) and Pedersen et al. (2010) emphasise the strengths, rather than weaknesses of the soft instrument.

Halkier (2008) notices that regions, “for the first time are held responsible for economic development of the region, and besides hospitals, regional development for the first time has become the most important task for the regional councils (translation added).”

Illeris (2010, pp 54), emphasises that partnership agreements, as negotiated between *Denmark’s Growth Board* and each of the five regional Growth Forums, show that regional Growth Forums are taken as equal partners rather than as hierarchically subordinated actors by the government. Further, the former bias of regional policies towards the rivalries between Copenhagen and peripheral regions has been replaced by a general agenda promoting economic growth in all regions, leading to a more general acceptance of regional development as a national issue of importance. Illeris emphasizes that the regional Growth Forums are mediators rather than consumers of regional funds. The Growth Forums are compelled to cooperate and negotiate. Finally, Illeris emphasizes that due to the multitude of topics for the regional development plan, the very logic and strength of the plan is to coordinate: “Former hierarchical decision systems are partly replaced by dialogue between coordinating and sector authorities as well as between state, regions and municipalities.” (op.cit. p. 58, translation added).

Pedersen et al. (2010) conclude that after the reform, the regional institutional setting reveals a new governance situation where regional governance turns into pluricentric coordination. The aspirations for coherence, unity and universal rationality in regional planning have to be given. Instead, a new perspective developed that values the floating and ‘messy’ character of coordination in the non-hierarchical situation. The fluid character of coordination is not an obstacle to overcome but a resource to be exploited in the pursuit of regional governance. Based on a study of regional governance in Zealand Region in the first four years after the reform, it is illustrated how coordination is taking place in a terrain characterized by competing situated logics that are shaped and reshaped in and through network-like coordination processes that promote the construction of shared meaning and story work.

**Municipalities**

According to the law, the Regional Development Plan shall be prepared in cooperation with the municipalities. To coordinate the work between regions and municipalities, the structural reform ‘invented’ a mediating body called the Municipal Contact Committee (Kontaktudvalget, KKU). Members of the KKU are the mayors of each of the municipalities in the region plus the chairman of the regional council. Besides the KKU, the region and the municipalities meet in the Growth Forum, the Health Coordination Committee and several other joint consultative committees.

After the reform, the municipalities formed their own informal regional councils in each region dealing with regional matters. One of these was the Local Government Contact Council (Kommunernes kontaktråd or KKR). The KKRs are non-statutory and were formed at the initiative of Local Government Denmark (LGDK), a voluntary interest organisation of Danish municipalities, the goal of which is to establish a strong municipal political platform in each region. Studies show that local government contact councils have developed successfully into strong forums for the municipalities (Pedersen et al. 2010, Sehested 2010). The KKR members are appointed by the municipal councils and represent the parties proportionally. The KKRs discuss all regional matters and prepare themselves for the Contact Committee meetings with the regions.

The municipalities are thus key stakeholders in terms of regional policies, and the KKRs have turned out to be very strong regional actors after the reform. In Zealand Region, the cooperation between the region and KKR was marked by conflicts during the first election period. In the second period, however, they agreed to collaborate.

**Growth Forum**

In each of the five Danish regions, there is a Growth Forum responsible for regional business development strategies.

The Growth Forum is a public-private policy network integrating multi-level public authorities and private actors in the region. The Growth Forum is appointed by the regional council in cooperation with regional business companies, regional institutions and labour market. From a position almost independent from the regional council - at ‘arm-length distance’ - they prepare inputs and recommendations for the regional council within a framework agreed upon with the government.

The Regional Growth Forum is responsible for

- The preparation of a regional business development strategy
- Watching regional and local framework conditions for growth
- Preparation of recommendations for co-financing of regional business development activities
- Recommendations to the regional council on regional development funds
- Recommendations to the Danish Enterprise and Construction Authority on EU Structural Funds

The Regional Growth Forum is appointed by the regional council, which also acts as the forum's secretariat. The 20 members of the Growth Forum are appointed by the regional council as follows:

| | |
|---|---|
| 3 | At the initiative of the regional council |
| 6 | Representatives of municipalities as nominated by the municipal councils |
| 6 | Representatives of the business community as nominated by regional business associations |
| 3 | Representatives of knowledge and education institutions at the initiative of the regional council |
| 2 | Representatives of employers and wage earners, as nominated by labour market associations |
| 20 | Total |

The regional business development strategy is supposed to provide input to the regional development plan (in Zealand Region, it is called the 'regional development strategy'). Input channels ideas from the regional business community, municipalities and knowledge institutions. In addition, the regional business strategy channels national growth strategies downwards via two specific linkages between the regional Growth Forum and the government:

1. A regional partnership agreement, annually established, between the regional Growth Forum and the government on development initiatives, on which the two parties agree to give special attention;
2. The participation in the national 'growth council', via the membership of the chairman of Growth Forum. The national growth council advises the government on national growth policy and is responsible for coordination between the national growth strategy, EU financed regional policies and the regional business development strategies set by the regional Growth Forums.

Although the regional business strategy appears as a strategy of its own, it becomes effective only through integration with other strategies and with the operations of other authorities. Hence, through the regional council, the regional business strategy obtains policy input to the Regional Development Plan (RUP or RUS); and policy background for nomination of projects to be co-financed by the regional development funds. Moreover, through the government (via the Danish Enterprise and Construction Authority) it obtains policy background for nomination of projects to be co-financed by the on EU Structural Funds.

**Other regional actors**

There are a number of other sector agencies and councils that form part of the regional stakeholder milieu. These include:

- The regional transport company
- The regional employment council
- The regional state environment centre
- Strategic cooperation partners

Zealand Region has entered into some important strategic co-operation agreements for trans-regional development issues. Four of the most important agreements are:

*The Øresund Committee.* The Øresund Committee was established as a joint Danish-Swedish forum for voluntary political cooperation. The Committee is a political constellation that promotes regional cross-border cooperation at all levels and ensures that due regard is paid to the interests of the Øresund Region by the Danish and Swedish parliaments. The Swedish members of the Committee are the Cities of Helsingborg and Malmoe, the municipalities of Landskrona and Lund and Region Skaane. Members from Denmark are the cities of Frederiksberg and Copenhagen, the Zealand and Capital regions and the two regions' respective Municipal Liaison Committees (KKRs) Zealand Region.

*IBU Øresund*

An Interreg project concerned with infrastructure development in the Oeresund region, comprising the Capital Region, Zealand Region, Region Skåne, The County Administrative Board of Skåne, some 30 Danish and Swedish municipalities, the Swedish Transport Administration (Trafikverket), The Øesund Bridge and the Øesund Committee.

*Fehmarn Belt Forum*

The Fehmarn Belt Forum is an advisory board of the Fehmarn Belt Development, an agency responsible for the coordination of projects, activities, plans and strategies connected with the construction of the new Fehmarn Belt link – a bridge-tunnel link between the southern part of Zealand Region and Germany.

*Ministry of the Environment*

At the initiative of the Danish Government, a strategic overarching spatial vision was developed in the two Danish growth regions as a follow up to the National Spatial Planning Report 2006, which had identified two growth regions in Denmark, namely East-Jutland and the Capital Region including most of Zealand Region. The vision, entitled 'Strukturbilleder 2030,

Byudvikling og infrastruktur, Region Sjælland' (Structural Images 2030. Urban Development and infrastructure in Zealand Region), was developed at national level in cooperation with Zealand Region, the municipalities in the region, the regional transport company, the Danish Road Directorate and the Danish Transport Authority.

**From hierarchy to networking**

As stated earlier, at the regional level, the formal hierarchical tools and relations have been replaced by the soft tools of coordination, communication and dialogue. That these tools are soft does not necessarily make them weak. From an earlier research project on decision-making in Zealand Region, we have demonstrated the interrelations between actors in regional decision-making, cf. figure 5.

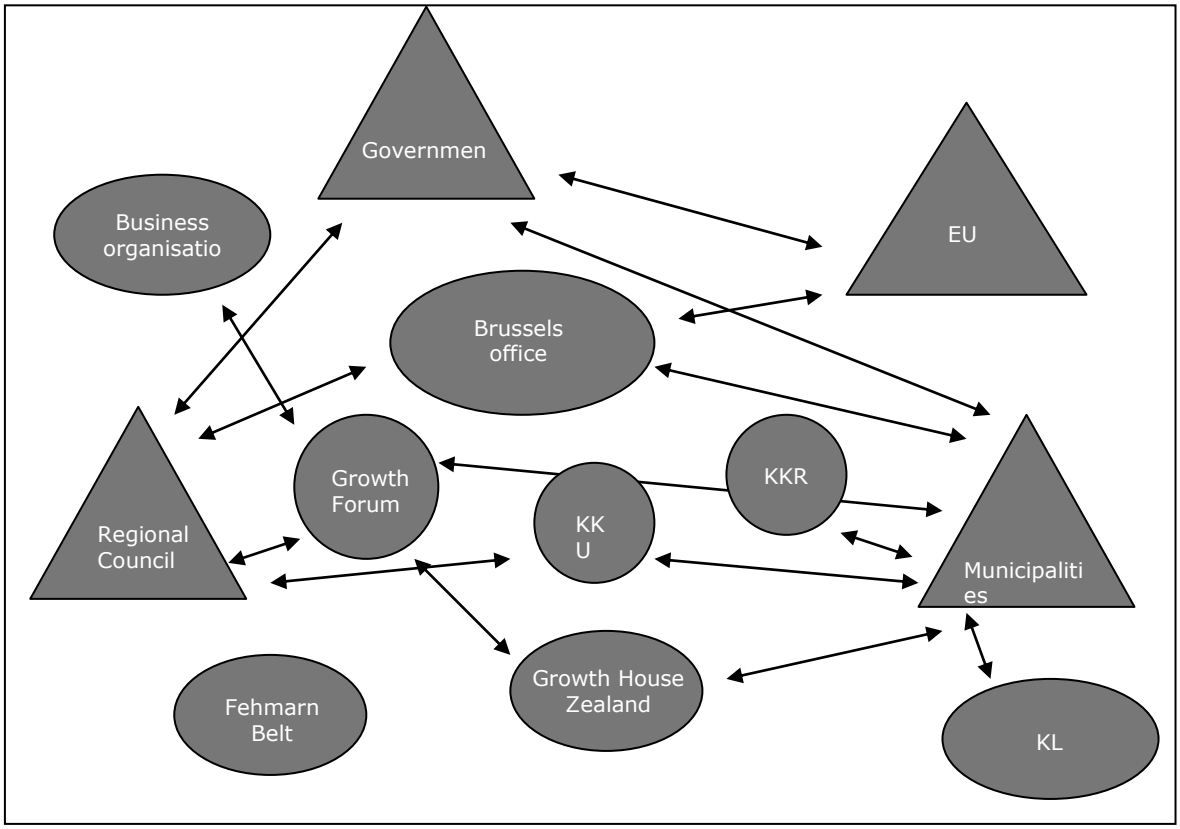


Figure 5: Key relations in formulating regional development strategies (Sørensen et al.2011).

The figure illustrates a network governance situation at the regional level. The regional council and municipalities have become equal in their influence on regional development, and several coordinating bodies have been constituted, some formal, others informal. KKU and KKR coordinate between region and municipalities. Growth Forum is a public-private policy network and coordinates between different public levels and between public and private actors. The state is still in a hierarchical position with respect to both regions

and municipalities, but its governance is more through setting goals and economic frameworks than through specific regulations and laws in the area of regional development. The state (and EU institutions) acts mostly as a meta-governor over regional development.

The indirect meta-governance by the state (and EU) in regional policies and the non-hierarchical and relational governance situation at the regional level require that regional governance change from steering to what could be labelled as pluricentric coordination. It is difficult to use the concepts such as 'horizontal-' and 'vertical coordination' in this situation. Governance relations among key actors change according to different policy issues and according to negotiation between the actors in different governance situation. Pluricentric coordination highlights the value of interpretive and relational forms of coordination that evolve around specific situated efforts to govern. The coordination is framed by public institutions within a plural democratic setting, which makes the 'pluricentric coordination' a more precise description than 'polycentric coordination'.

In the case study of Zealand Region, we will see how this is exercised in practice.

## Regional planning duties according to the national planning system

In the laws and directions for regional strategy formulation, following the structural reform, we find several indications of the new relational and indirect governance situation.

### The Regional Development Plan (RUP)

The regions have to prepare a Regional Development Plan every fourth year. The plan must include the Regional Business Development Strategy, which is prepared by the Growth Forum. With a comprehensive view of the region, the RUP must describe a desirable future development for the region, cities, countryside and the region's peripheral areas. Thematically, it must deal with nature and environment, business and tourism, employment, education and culture. Further, the RUP must show the relations with national and municipal planning of infrastructure as well as relations with planning of neighbouring countries in relevant fields. An action plan must be included. The RUP has no legal authority. It is an advisory and coordinating document that sets out common strategies, visions and frames for the region in cooperation with other relevant regional actors. However, the regional council is able to channel its support to strategic initiatives and it has its own funding. The municipalities are not obliged to follow the strategy, but neither can they be in

opposition to the RUP. There are only a few directives in the planning act that apply to the RUP; the content and methods may differ.

### The business development strategy

The business development strategy is meant to set up and prioritise activities for the enhancement of business development in the region. Activities shall focus on the framework conditions for business rather than direct subsidies. On the basis of the business development strategy, the Growth Forum submits recommendations on funding concrete project applications for regional development funds as well as the EU structural funds.

The Growth Forum monitors changes and development of the framework conditions for business at regional and local levels and evaluate initiatives and projects set in motion by the business development strategy.
A further important framework for the business development strategy is the partnership agreement between the Growth Forum and the government.

### Regional and business development in concert

The business development strategy is supposed to form an input for the regional development strategy. They should thus work in concert. The interdependency between the two strategies is obvious. All though the business strategy constitutes a frame for the regional development plan, the RUP covers more regional issues than just business and thereby becomes a constitutive framework for the subsequent business strategy.

It is interesting to note that at the national level, the two strategies belong to separate policy sectors and ministries. The regional development strategy is formed under the auspices of the Law of Planning, administered by the Ministry of the Environment, whereas the business development strategy refers to the Law of Business Development, administered by the Ministry of Economic and Business Affairs. The two ministries each have their own development interests – sometimes conflicting -- and coordination and cooperation between the ministries is not always possible at state level.

### National typology of the regions

So far, we have envisaged the planning system, its development and its current state. We shall now turn to the content and ideas of national planning in order to further elucidate the position and characteristics of Zealand Region.

Danish national planning began with urban systems, turned to urban competitiveness and ended up with a regional agenda. During this evolution of the planning concepts, the planning agenda also changed. Figures 6, 7 and 8 briefly show the development.

The current national spatial planning agenda was set by the national planning report in 2006: ‘The New Geography of Denmark’. A continual increase in commuting eroded former relations between cities and their hinterlands. Cities were integrated into the hinterlands of other cities as local labour markets and housing markets expanded and overlapped. The Danish economy concentrated itself in two centres, the Capital Region and the East-Jutland Region. As a consequence, urban systems were set on ‘stand-by’ and replaced by a regionalised planning agenda, focusing upon three kinds of regions: (1) the aforementioned two large growth regions, (2) peripheral areas and (3) regions with strong medium-sized cities.

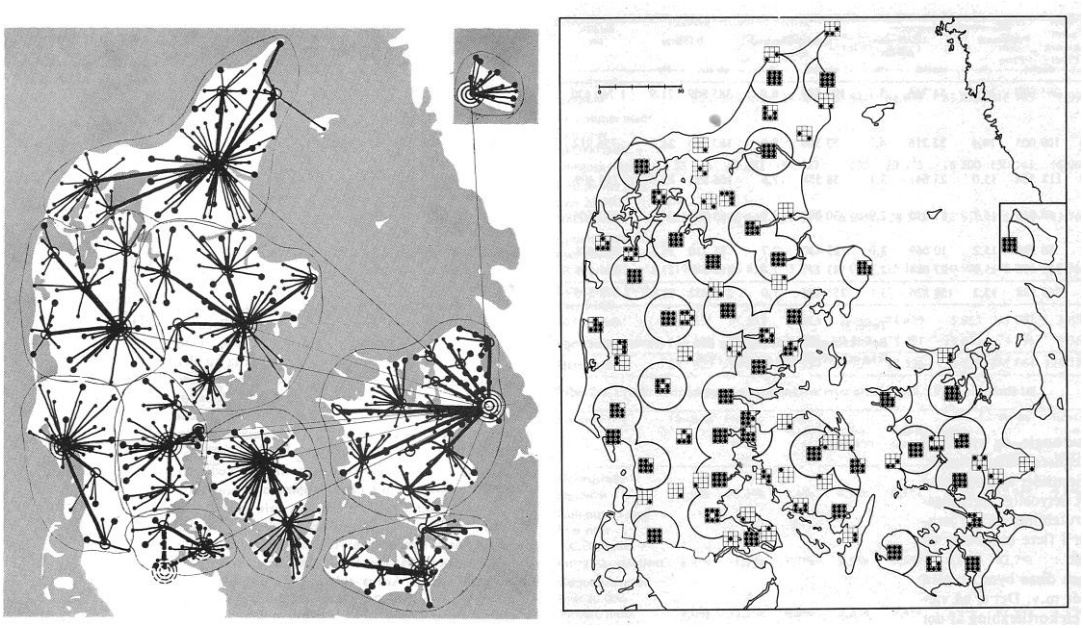

**Figure 6: National planning for urban systems. The main purpose was to build up a nation- wide urban hierarchical network for equal access to centres for service and administration. Left, the first conceptualisation of the model in the Danish context, the 'star-city model' by Erik Kaufmann Rasmussen (1959). Right, the presence of nine selected centre functions in the urban system, elaborated by the National Planning Agency in 1979 to identify regional centers (Planstyrelsen, 1979).**

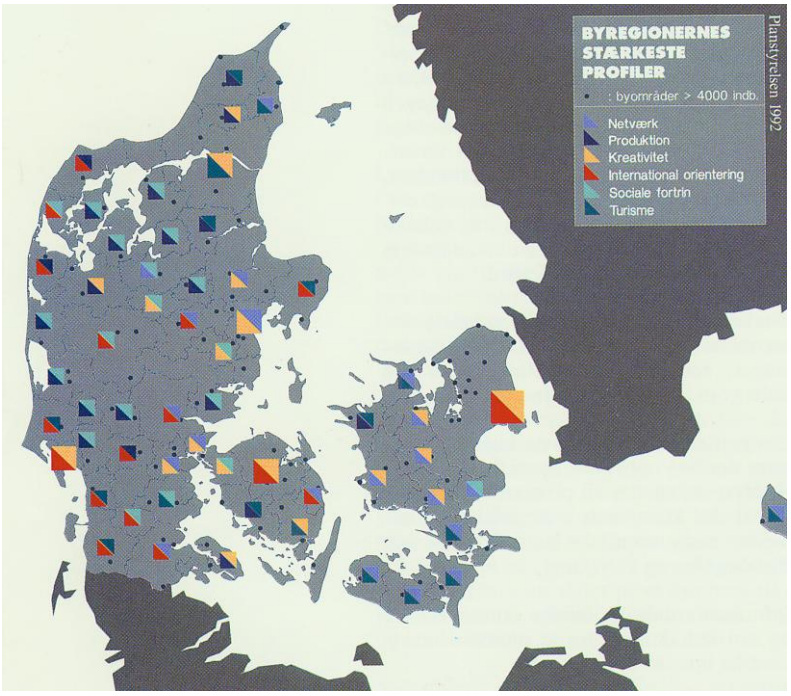


Figure 7: Mapping urban regions by 'strongest profiles'. After the oil crises of the 1970s, the fall of the Iron Curtain and increasing globalisation, national planning turned from equal access to service centres as the driver of

development to the regional framework for business development, and urban competitiveness became a core issue. This figure is from the 1992 national report that maps the competitiveness of urban regions.

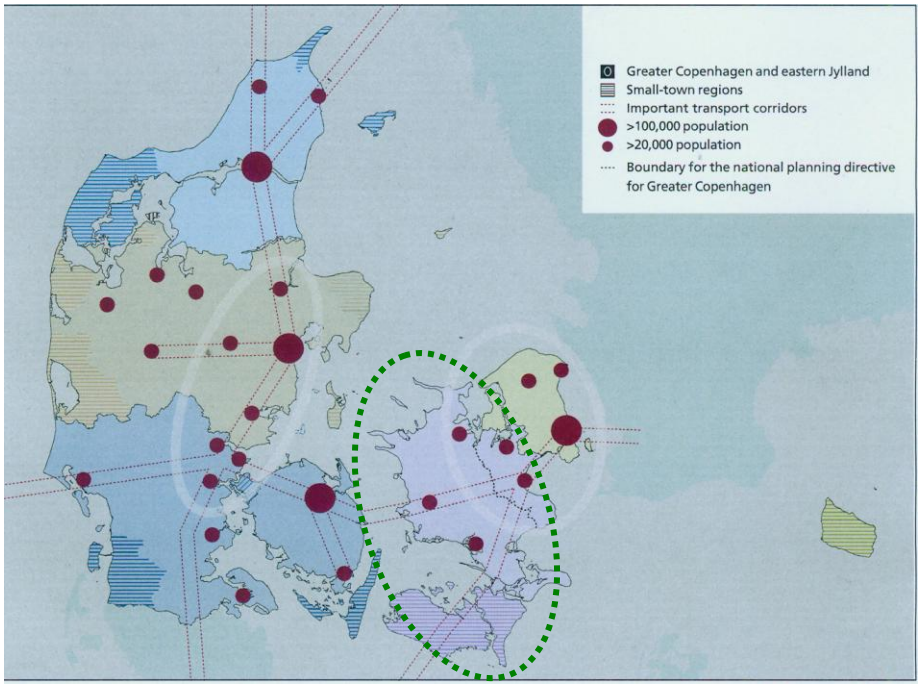


Figure 8: The geography of regions: Two growth regions, peripheries and regions with cities of different size. A continual increase in commuting eroded former relations between cities and hinterland. Local labour and housing markets expanded and overlapped. The Danish economy concentrated spatially in two centres, the Capital Region and the East-Jutland Region. As a consequence, national planning of the urban system ceased and was replaced by a regionalised planning agenda focusing upon three kinds of regions: (1) the aforementioned two large growth regions, (2) peripheral areas and (3) regions with strong medium-sized cities. The ellipse shows the position of Zealand Region.

When comparing Zealand Region with other regions, a region of high diversity appears: The north-eastern part of Zealand Region is part of the Capital growth region, whereas the southern part is characterised as remote 'small-towns region' (cf. figure 8). The diversity from the northern to the southern part of the region is one of the key characteristics of the region. It is a region of extremes, as revealed by a few indicators on population development and development of and access to work-places, cf. figures 9, 10 and 11.

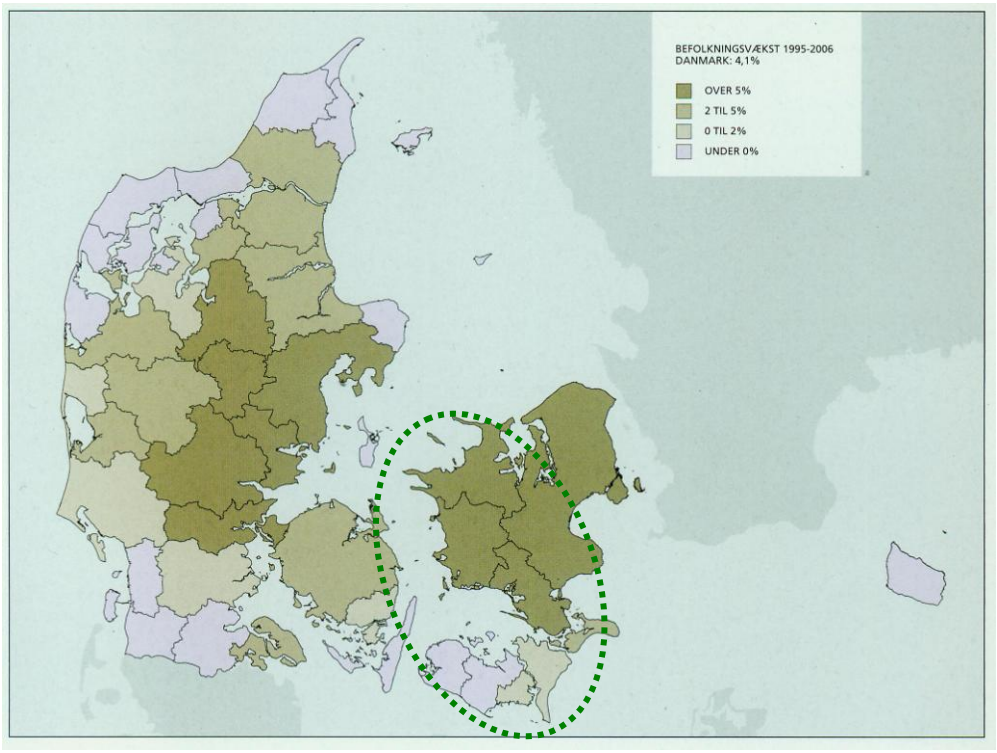


Figure 9: Development of population 1995-2006. The map shows, that population developed from below 0 to above 5% in ten years from 1995 to 2006. Both extremes – from decreasing to increasing population -- were experienced in Zealand Region. Source: Danish Ministry of the Environment (2006 p. 35).

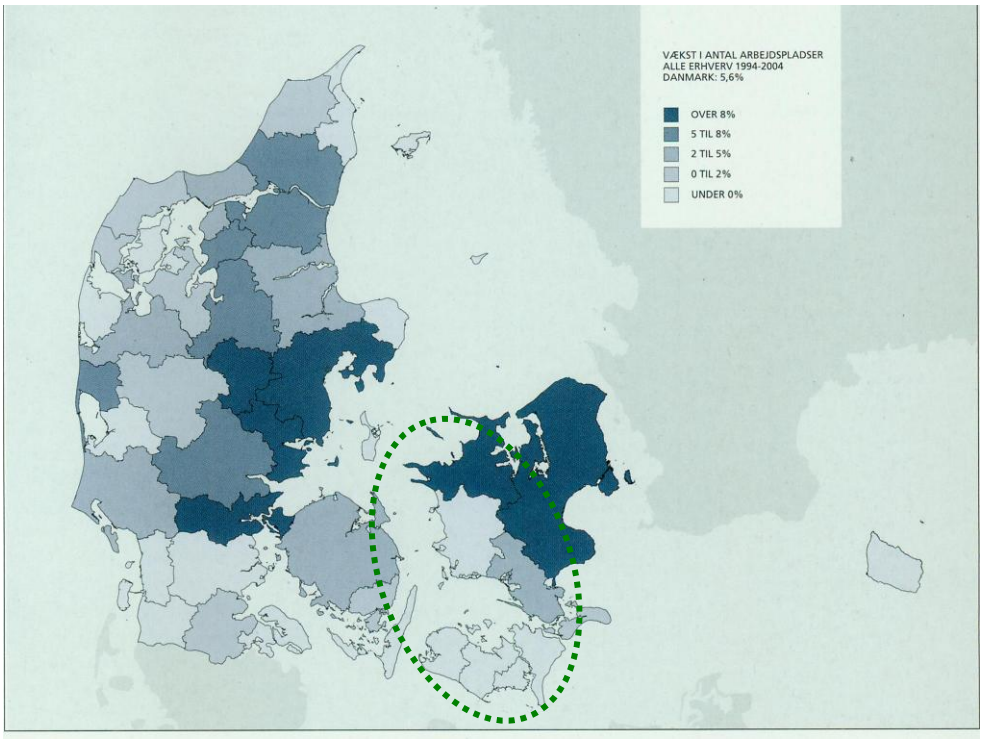


Figure 10: Growth of number of jobs 1994-2004. The map shows a pronounced diversity from the two growth regions (cf. figure 7) characterised

by an increase in the number of jobs, exceeding 8% gradually descending to the lightest grey areas characterised by a decline in the number of jobs. Zealand Region includes both of these extremes from the above 8% growth in the northern part to below 0 in the southern part. Danish Ministry of the Environment (2006, p. 37)

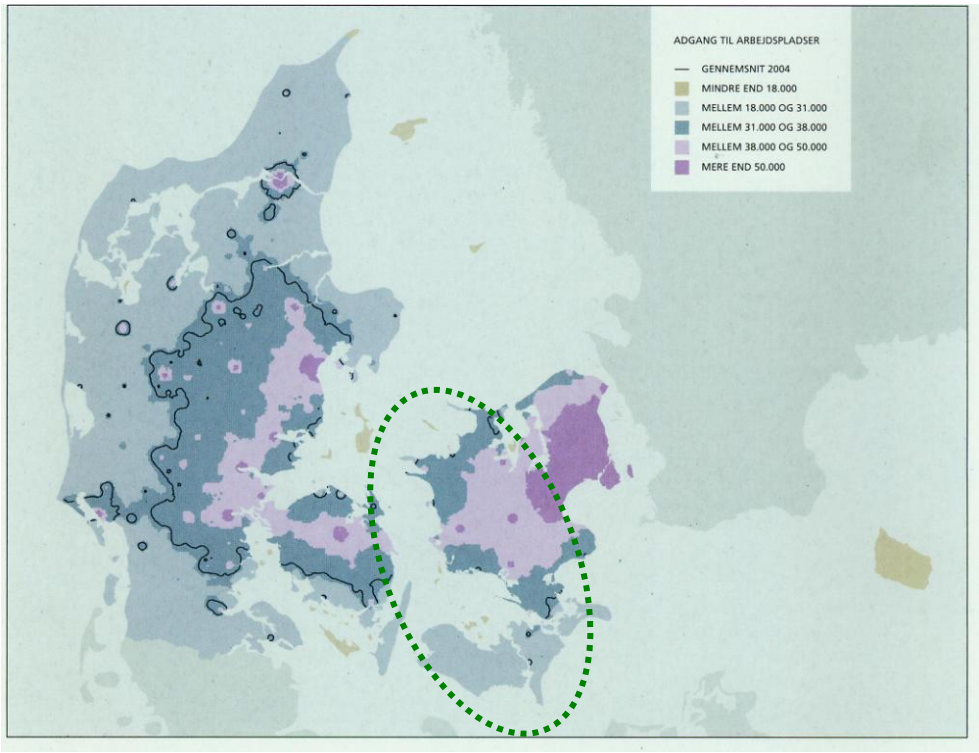


Figure 11: Accessibility to jobs 2004. Accessibility descends from more than 50,000 jobs in the dark purple areas to less than 31,000 jobs in light grey areas and less than 18,000 jobs on the island of Bornholm (light brown). The thin black lines show the borders of the average accessibility. Danish Ministry of the Environment (2006, p. 40).

### National intentional strategies or visions for the region

The scope for Zealand Region in formation of regional development strategies is to some extent set by the national government, through national policies on business development and spatial planning, national infrastructure projects and the partnership agreement between the government and the Zealand Regional Growth Forum. However some of the policies are more concerned with frameworks and directions (meta-governance) than with detailed regulation and specific actions, thus allowing for decisions and autonomous actions at the regional level.

#### *Business development*

The challenges of globalisation were faced by the government in 2006 with a new law on business development. The law was adopted just a year prior to the municipal reform and the reform of the planning system. This business

development law established the regional Growth Forums. It is worth noting that regional development was taken as an important lever of national economic development. According to the law, the new regional councils were allowed to co-finance the development of framework conditions considered crucial to the development and competitiveness of enterprises and companies of the region. Such co-financing should take as point of departure recommendations from the regional Growth Forum. It is emphasised that it is only the development of the framework conditions of private business life that is eligible; direct investment in businesses is not allowed. Funding by public actors is allowed only if it related to the improvement of framework conditions for private companies. The following activities are eligible funding:

1. Innovation, knowledge sharing and knowledge development
2. Application of new technology
3. Set up and development of new enterprises
4. Development of human resources, including regional competencies
5. Growth and development of tourism
6. Development activities of the remote peripheries

***Partnership agreement***

In Zealand Region, the national business policy was operationalised by the partnership agreement between the government and the Zealand Region Growth Forum, as of 14 October 2010. As point of departure, it was acknowledged that in general, the level of education in Zealand Region is lower than the national average. However, it was acknowledged that among regional assets, there are business potentials within the sectors of clean technology and pharmaceutics/medical manufacturing.

The parties agreed to focus on:

1. Education and supply of workforce
2. Improvement of framework conditions for new companies
3. Innovation and knowledge
4. Branding and marketing of Denmark
5. Green development
6. Cross-border cooperation
7. Evaluation and measurement of effects of regional development activities.

Further, the parties agreed to a special focus on three initiatives:

1. Fehmarn Belt growth strategy
2. Strengthening education in the peripheral areas of the region
3. Development of technologies within the energy sector.

*Fehmarn Belt growth strategy*

As a follow-up to the agreement between Denmark and Germany on establishing a fixed link crossing the Fehmarn Belt, the parties agreed that an overall strategy shall be developed jointly by the government, Zealand Region and the Capital Region in order profit upon the growth potentials of the new Fehmarn Belt connection, in sectors such as logistics, cooperation between knowledge- and education institutions and private business life. Also, the strategy should include the development of a common labour market. The strategy should take its point of departure in the present STRING-cooperation between Region Skåne, the Capital Region, Schleswig-Holstein and Hamburg.

The location of the Fehmarn fixed link is shown in figure 12, from the National Spatial Planning report 2006. The Danish connecting point for the link is situated at Rødby.

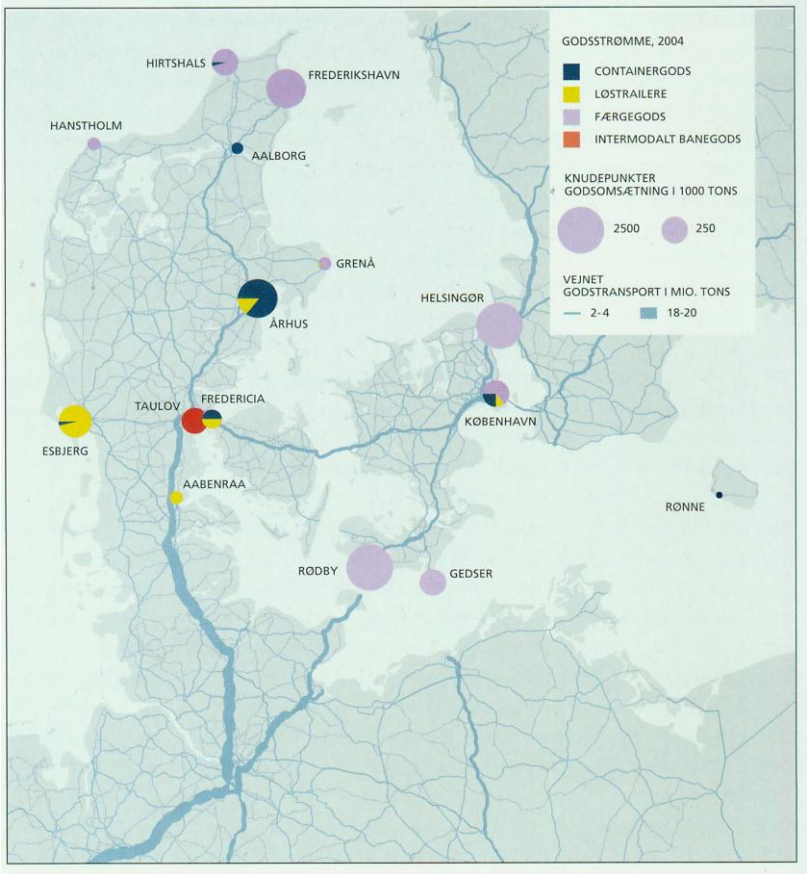


Figure 12: International flows of goods. The map shows turnover of goods at hubs of transport. The purple circle at 'Rødby' indicates the turnover of goods by ferry. The potential for railway and road transport by the future fixed link between Denmark and Germany, The Fehmarn Belt Link (source: Danish Ministry of the Environment 2006, p. 74).

*Strengthening of education in the peripheral areas of the region*

The parties agreed jointly to ‘test and develop operational models for education campuses and cooperation between education institutions and education sectors in Zealand Region.’ These initiatives should focus upon facilitation of education, especially in the peripheral areas.

*Development of technologies within the energy sector.*
New experiments on energy technologies and industrial symbiosis are taking place in the region, notably in Lolland and Kalundborg, respectively. The parties agreed to give these initiatives and competencies further support.

***National spatial planning***
Principles of the governmental business strategy are confirmed by the National Planning Report 2006. To meet the challenges from globalisation, focus must be placed on knowledge and innovation and transport. In addition, there is a need to focus on changes of the urban system and the rural areas.

Governmental policies concerning the Zealand Region were set up in the national planning report of 2006.

Figure 13: Policy area: ‘Zealand’ (National Planning Report 2006).

In the National Planning Report 2006, the government announced a follow-up initiative concerning the Zealand Region. Because of the increase in commuting, most parts of Zealand have become integrated into a single labour market. Therefore, it is of national interest that the entire area is well-functioning as local labour- and housing market. The key challenges are (1) to avoid unintended urban sprawl and (2) to cooperate on spatial planning as a tool for reducing problems stemming from traffic congestion. In line with these observations, it is stated that the Minister of the Environment (who is also responsible for planning) together with the Minister of Transport and Energy, will initiate a dialogue between the government (the two ministries), the municipalities of Zealand Region, the regional transport company and the Zealand Regional Council on future urban development (see next section).

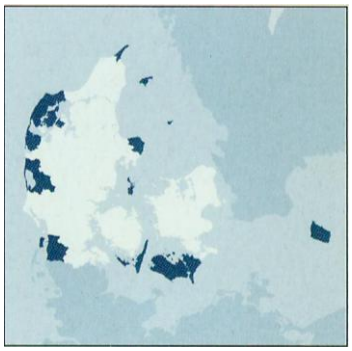

Figure 14: Policy area: 'Peripheral areas' (National Planning Report 2006).

The southernmost part of Zealand Region is part of the areas characterised by the National Planning Report 2006 as remote areas of small towns. As a follow-up action, the government decided to initiate a project for elucidating the role of small cities in the new municipalities and to analyse barriers to the development of rural cities and to discuss strategies for the development based upon local assets. This topic is not addressed specifically to Zealand Region, but generally to all the regions with remote areas of small rural cities.

***'Structural Images 2030' – Zealand Region***

The above-mentioned follow-up action announced by the government in the National Spatial Planning Report 2006 was kicked off at a meeting between the Minister of the Environment, the 17 municipal mayors and the chairman of Zealand Region in August 2008. Two years later, the report Strukturbilleder 2030 ('Structural Images 2030') was published for public consultations. The result of the cooperation was an agreement on principles on urban planning and infrastructure for the future development of the region. The key principle agreed upon was to encourage the development of the largest of the small and medium-sized cities situated on the key railway lines radiating from Copenhagen city. Only by offering some alternative to the concentration of living in Copenhagen would it be possible to facilitate a more decentralised development in the region. It is supposed that such an alternative lies with the largest towns and cities that have a railway station (*stationsbyer*). To identify these towns, a ranking in four categories of urban size was carried out. Hence, group A were the 10 largest towns (population > 10.000 inhabitants); group B: 12 towns between 4000 and 15,000;, group C: 22 towns between 2000 and 6500; and group D with 12 small towns with fewer than 2000 inhabitants. Since the classification is according to more than size, there are some overlaps. Some cities in group B are thus larger than some cities in group A. It was agreed that cities in group A should be given first priority in municipal and regional planning as well as in transport planning. Further, it was agreed that enhancing population density of the cities should be given priority as a measure of sustainability. Figure 15 shows the mapping of the four categories of towns. The map shows an integration of the infrastructure

with the national major traffic connections of the region to Sweden, Germany (Fehmarn Belt) and Funen and Jutland via the Great Belt Bridge.

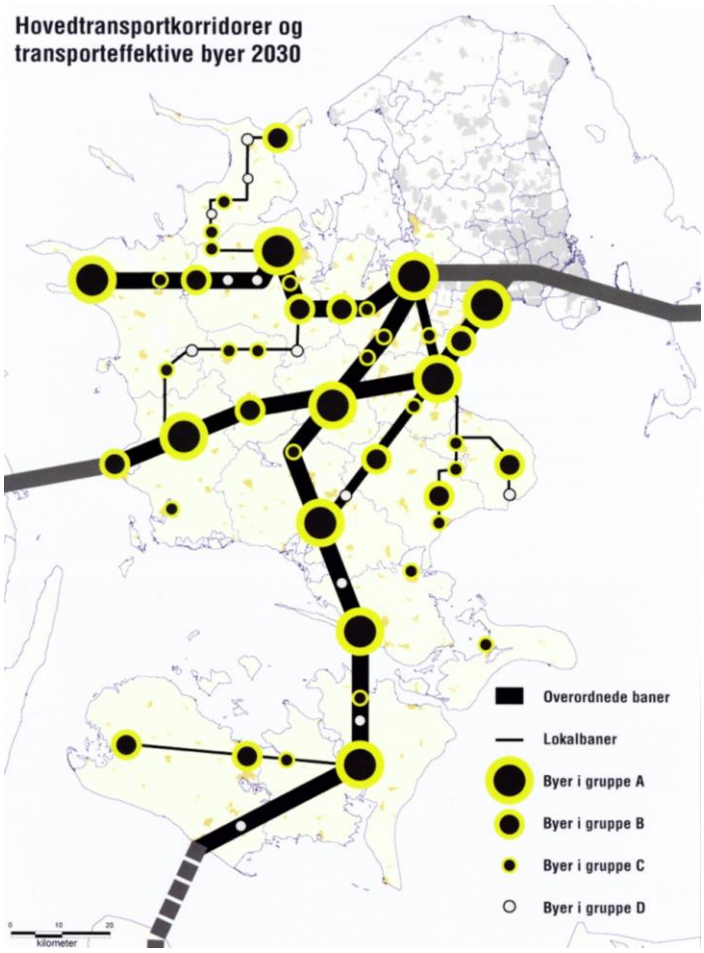


Figure 15 Structural images 2030. Urban development and infrastructure of Zealand Region. (source: By- og Landskabsstyrelsen, 2010)

## Regional Integration Strategies

We have chosen two regional strategies prescribed by the Danish Planning Act as the Danish case study because they are the most important integrative strategies in the region.

Due to other studies of regional strategies in Zealand Region (Sørensen et al. 2011), it is possible to include a time perspective in this case study, especially in the making of the regional development plan. In Zealand Region, the name of this plan was changed to 'regional development strategy', which is why we will use the term 'strategy' in the discussion that follows. The two strategies are:

1. The Regional Development Strategy 2008 and 2011 [Den regionale udviklingsstrategi 2008 (RUS) and 2011 (proposition in hearing].

2. Business Development Strategy 2011-2014 and Plan of Action 2011-2012 [Erhvervsudviklingsstrategi 2011-2014 og Handlingsplan 2011-2012].

## The regional development strategy (RUS) 2008 and 2011

### Context

The process of formulating the Regional Development Strategy (RUS) for Zealand Region illustrates a learning process. The process extended over a period of 5-6 years in the regional authority, from the first to the second version of the RUS. To understand the process of formulating the first RUS, some information about the contextual situation is needed.

The new Zealand Region was a result of the amalgamation of three very different counties, and the first years of the Region's life were influenced by the problems that typically occur when new institutions are formed or existing institutions merged. As mentioned earlier, the new Zealand Region did not have the same authority as before in the regional development: the regional authority had to move from the regulatory and hierarchical role to a future-oriented, facilitating and mobilising role. However, the region was run by the same people officials, and those elected at the regional level had to cope with a new and at times difficult situation. Everything had to be invented for the first time, and the three cultures from the former counties had to adapt to one another and develop a common new culture.

The region had to work closely with the municipalities to formulate strategies. In 2007, the new 98 municipalities were established by amalgamating smaller municipalities, and they also had to establish new structures, organisations and procedures. Several tasks were transferred from the old counties to the new municipalities. All in all, this was a period of major change at regional and local levels. The first period after the structural reform was strongly influenced by politicians and employees trying to cope with the new situation and their new roles. But there were also conflicts.

The municipalities (through their national association) supported the new structural reform because they became larger and more autonomous. However, they opposed the regions having a role in regional development. Nationally, the municipal association tried to restrict the region from having any influence over regional development because they wanted the regions to concentrate on hospitals and health services, relying on the Growth Forum

(where they are represented) to manage the Regional Business Strategy. They wanted to deal with all other issues themselves through the municipal contact committees (KKR).They could not see the purpose of formulating a RUP. In Zealand Region, this conflict became very influential, and the first RUS (2008) in Zealand Region became a battlefield between the region and the municipalities about who would control regional development.

A research team followed and documented the process over a four-year period, and they also intervened in the process by presenting results of the study and by introducing new forms of governing, like governance, meta-governance, pluricentric coordination and new roles for planners and politicians. Both the region and the municipalities (especially KKR) were influenced by the research process, and this should be taken into account in this case study.

The second version of the RUS (2011) was made in a quite different situation. The region and the municipalities (through KKR) decided to stop fighting and start cooperating. A new chairman of the region was elected, with an acceptance of the new role and competences to act. The regional administration carried out organisational and personal changes in the administration and developed competences that were more relevant for their new role. All actors in the region had had 4 years of experience in their new organisations and roles and in the regional situation, and it makes it much easier to create a collaborative RUP process.

## Content in the two RUS

### *The first RUP 2008 became a RUS:*

The strategy presents the agenda for a desirable development within and across a number of policy areas: nature protection, towns and territories; the environment, business development, tourism, employment, education, culture and infrastructure. Interregional relationships are addressed as well as international relationships. The strategy was drawn up in-house, with assistance from external consultants on selected topics/themes. Only some cross-cutting issues/agendas are dealt with in the document. Areas for action have open time frames. Among cross-cutting and trans-regional topics are large-scale infrastructure projects such as the future Fixed Fehmarn Link.

The regional development strategy consists of an introduction to and an overall vision of Zealand Region. The starting point is a description of the region, setting out the geographical context and socioeconomic data. The main challenges for the region and the development perspectives are described. There are five themes: The Learning Region, The Innovative

Region, The Healthy Region, The Sustainable Region and The Accessible Region (infrastructure). There are two transverse or cross-cutting themes: The Coherent Region and the International Perspective. The strategy identifies 38 development goals.

Together with the RUS, five other strategic documents were also drafted by the regional administration in order to supplement the RUS. They were: The local Agenda 21 strategy, a learning strategy, a cultural strategy, an international strategy and a strategy for youth education. Only the local Agenda 21 strategy is mandatory, and it was not possible to integrate it in the RUS.

***The second RUP 2011 (in public hearing):***
This RUP is developed around four cross-sector themes: (1) talent and innovation, (2) build on the regions resources, (3) increasing competences at all levels and (4) Zealand Region as a link-maker.

The themes take their point of departure in the regional resources and activities already initiated and planned in the region. A vision for 2020 is presented depicting the Zealand Region as the greenest region in Europe. Ten goals are formulated – some of them with measureable targets within a certain time period. The ten goals are:

1. The welfare of the region has to rise, 2. The region is the green region of Europe in 2020. 3. Rising competences at all levels, 4. Nature, culture and cities will be used to make an attractive region, 5. A region in economic balance, 6. The public sector as driver for innovation and development, 7. Attract testing and demonstration projects, 8. High accessibility in the whole region, 9. Exploit the regional location as a link maker in the development corridor between east and west Denmark, Scandinavia and the rest of Europe, 10. The region should create an inter-regional link to regions close to the borders and sustain the international cooperation.

The Action Plan for 2012-13: in the Action Plan, the cross-cutting four themes structure the presentation of existing and planned activities labelled as “Effects”. This is the first attempt to work with measurable targets in the RUS process.

The local Agenda 21 Strategy is still drafted in a separate document, but in shorter form.

The differences in the content of the strategies are:

The first RUS:

- It includes different strategies in an overall frame covering most of the regional activity areas.
- It contains sector strategies with only a few cross cutting themes.
- The sector strategies are formulated without much cooperation between regional departments.
- It presents the problems of the region and visions for the solutions of these problems as seen from the regional level.
- The RUS is quite long (40 pages) and includes some documentation, and the attached strategies are about 30 pages each. Together, a comprehensive document.

The second RUS:

- It is a single strategy bringing together most strategies, but focusing on specific issues such as climate, green growth, education and interregional as well as international cooperation.
- It has a stricter focus on selected issues that have been agreed upon by a large group of regional actors.
- It is structured by cross-cutting themes but still has 10 goals reflecting different interests in the region.
- It builds on resources in the region and changes focus from problems to potentials.
- It is based on existing and planned activities when presenting further actions and visions.
- It is a short strategy (19 pages) with a separate documentation annex and a action document.

In the description of the process, we find the explanation for the difference between the two strategies.

**How and who: the process**

The processes of the two RUSs are very different and illustrate the movement from a more traditional planning process towards a process based on facilitation and collaboration in regional planning. The new institutional setting in the region requires the latter form of regional planning, but in the first years of the new region, the region and other regional actors had difficulties in changing their roles. It was a learning process for all regional actors in how to cope with a pluricentric regional planning.

***RUP 2008: from RUP to RUS***

Regional planning was kicked off by the Growth Forum in 2006. When the Growth Forum had prepared the Business Development Strategies, the new regional council in 2007 initiated the regional planning process. The first task

was to produce the first version of a Regional Development Plan (RUP). There are only very few directives in the planning law concerning regional planning, thus leaving it to the region to develop this new regional planning instrument. The RUP is not a legal binding plan, but it must coordinate and present possible directions and frames for regional development. Furthermore, the regional council has to act as a facilitator for cooperation between the different actors in regional development.

The first proposal for a RUP was drafted mainly by the planners of the regional administration. They started assembling statistical information about the region and hired a private consultancy firm to develop a model about 'the good life' in the region. They wanted to construct a structural comprehensive model with detailed information that the municipalities could use in their planning. The first documents presented to the politicians were rejected as too comprehensive and technical, and the planners were asked to make a political document in cooperation with the municipalities.

The planners thus had to start from scratch. Discussions on fundamental issues resulted in changing the 'plan' into a 'strategy' in order to emphasize how the new document differed from the traditional kind of plans. By switching the concepts, the planners wanted to focus on the process and dialogue rather than on the outcome and product. As a consequence, regional perspectives replaced legal regulations.

At the same time, the planners arranged several meetings and a large kick-off conference, inviting a number of various regional actors to discuss the contents of the regional strategy. They used the input to suggest 5 central themes for the regional development strategy. These themes became the structure of the final strategy.

Next in the process, the region arranged 5 dialogue meetings about the five themes. The meetings were held in different geographical locations in the region and again, all relevant regional actors were invited. Input from these meetings was integrated into the strategy afterwards. A formal public hearing period was arranged and finally, the regional council adopted the strategy in May 2008. As mentioned, the regional development strategy consisted of several sector strategies with a common frame. It had no action or project plan attached.

This process seems straight forward. However, it proved not to be. It was very complicated and filled with conflicts internal to the regional administration as well as external in relation with the KKR. These conflicts influenced the achievements of strategy. The municipalities did not develop any ownership of the strategy, and they wanted the strategy to make 'as little damage as

possible', as stated by the KKR. Without municipal ownership, the strategy could not be implemented.

But what went wrong in the process?

*First,* the regional administration found it difficult to alter its role to the new situation established by the structural reform. Further, the administration had great difficulties in coordinating the functional sectors of the regional administration. Also, the coordination between the business development strategy and the regional strategy became difficult, even though the civil servants working with the two strategies were located in the same department. The new region had organised the administration in the traditional form, with specialised units managed by specialised professionals and with a hierarchical management system. It was very difficult for the planners to work across the specialised units, and there were conflicts in the lower management level about the division of labour. A lot of efforts were made in the first years to make this administrative system work. By the end of the first election period, however, the situation had changed. At the same time, the planners had to develop new roles and competences. Some planners had to leave the organisation and new ones were entering. At the political level, the similar role conflicts existed. The regional politicians could no longer act exert their authority over the local politicians, and several conflicts concerning political authority evolved between the two political levels in the process.

*Secondly,* the municipalities did not want to cooperate with the region, nor did they want the regional development strategy to succeed. They thought that the regional council was acting as if they were the command authorities. In general, the municipalities they opposed the whole idea of a regional development strategy. As mentioned earlier, they saw only the need for the business strategy. The municipalities in the region decided jointly through their organisation, the KKR, that a steering group of the responsible regional managers and a few municipal executives had to follow the process very closely and that the region was not allowed to contact other municipal planners without permission from this steering group. In this group, every sentence in the strategy was discussed and fought over. The steering group became the scene of power struggles between the region and municipalities.

***RUS 2011(in public hearing):***

The experience of the process of the first RUS formed the background for the next one: now they knew what the process should not be.

The KKR decided to work with the region and not against the region. The regional council and administration made the following decisions about the strategy, illustrating the contrast with the first RUS process:

1. This strategy had to build on the knowledge, input and initiatives already achieved from working with the first RUS. All actors did by now know about the specific problems of the region.
2. The strategy should not focus on problems but on the resources of the region.
3. The content should be structured by cross-sector themes.
4. The strategy had to be short and easy to read. Documentation was not to be included but presented in a separate document.
5. The strategy should integrate other strategies so as to minimize the number of regional strategies; the politicians requested a stronger degree of strategic cohesion.
6. This time, an action plan should be part of the strategy
7. The political level in the municipalities had to be integrated into the process.
8. The South Denmark and Capital regions had to be consulted.

While the first process included a broad participation of regional actors, it concentrated on developing ownership at the political level in the municipalities. Four meetings with municipal politicians was arranged at different locations in the region, and the regional administration and politicians got to know the ideas of the local politicians. Input from these meetings can be found in the final strategy. A common steering group between the region and the municipality still functions, but with new participants, and the regional council can now make direct contact with the municipalities. The steering group has developed into a proper collaboration between region and municipalities. The KKR has accepted the RUS and the action plan before the hearing period. They feel that the process has functioned well and that the regional council now listens to the municipalities. The KKR feel that they have learned how to facilitate regional activities. Furthermore, they use their specialised knowledge in a collaborative and not authoritarian way. The KKR finds the cooperation very fruitful and important for the further development of the region.

Since finalizing the RUS 2008, the region and KKR have drafted two other strategies in a collaborative process: a common climate strategy and a strategy for increasing the level of education in the region, known as ‘Prepared for Competences’ (Kompetenceparat – 2020). Both these strategies and the recent activities attached to the strategies are integrated into RUS 2011.

**Instruments**

The region has only few resources to initiate its own development projects, and they are dependent on other actors to act. The planning act also removed the planning authority in regional planning from the regions. In the planning act, the new role of the region in regional development is described as a facilitator for cooperation between different regional actors and as agenda-setting in regional matters. The question is: what instruments has the region used to fulfil this new role?

***Financial support***

The region has some of its own development funds to support their strategies, but the amount is not large. Directing funding can be used only on a limited basis. The region is largely dependent on others to finance and implement the RUS.

The Growth Forum administers the EU structural funds, in the sense that they assess the applications and prepare recommendations for final decisions to be made by the Danish Business Authority. The Growth Forum also monitors watch over applications and projects for funding by the regional council and submits recommendation to the regional council. Usually, but not always, the regional council follows the recommendations of the Growth Forum.

***Analytical work and data production***

One of the important instruments used in the region to make the RUP was to collect and analyse information about the socio-economic status of the region compared to other regions. They created specialised expert and scientific knowledge about the region and used this knowledge to inform and convince politicians and municipalities about the challenges in the region.

This analytical work has formed the background for building up a common understanding among regional actors about the problems of the region and about the regional identity. The regional administration is highly respected by their cooperating partners as very competent and capable within different specialised policy areas. Over time, the regional administration has learned how to use this knowledge in a non-authoritative, collaborative way.

The regional administration is the only regional actor able to provide this overview and analytical knowledge about the development in different regional areas, and they intend to continue using this instrument to influence the regional agenda.

***Facilitation and networking***

In the region, the role as a facilitator has been constantly discussed and developed since the beginning of the first RUS process. In the first RUS process, the region hired private consultants as process managers to handle meetings and seminars with several regional actors involved. However, the competences have slowly been developed in the regional administration, and the municipalities have expressed the view that the region has progressed in developing this role.

The region facilitates an increasing amount of cooperation between regional actors. One task is to make the other regional actors think strategically at the regional level and work together in formulating effective strategies. Another task is to facilitate concrete projects to fulfil the strategies. Furthermore, the region facilitates common regional lobbying activity at the national level, e.g. lobbying for infrastructure investments, and in the EU through their Brussels office, activities organised jointly by Zealand Region and the region's municipalities.

The region and municipalities mention some important examples of this facilitation activity:

- Corporation between region, municipalities and traffic companies to transport and transport infrastructure investment from the state.
- Cooperation between state, region and municipalities about a Climate Strategy.
- Cooperation and networks among various knowledge institutions in order to deal with problem of education in the region.
- Cooperation between region, municipalities and education institutions in formulating an education strategy in the region (Kompetenceparat 2020).
- Forum for higher education: meeting four times a year between providers of higher education.
- The future of higher education: a network of key actors in the area of education to discuss the future.
- Facilitation of meeting between wineries in region in order to support their development and integrate them into a joint strategy about food production in the region.
- Facilitation of meetings between national politicians elected in the region in order to create a common understanding of the problems and needs of the region between region and parliament.

There are plenty of examples of this facilitating role as a new way of influencing regional development. As the regional council chairman has stated: 'We do not have power in the traditional sense and not a lot of money.

The only thing we can do is to facilitate and create cooperation and get others to act.'

***Vision formulation and consensus-making***

In the early years, politicians in the region were interested in developing a common identity and common understanding of the new Zealand Region. What was precise nature of the region in terms of data, and where were the most urgent challenges? The concept of the region as a 'bridging' region was developed in several seminars and conferences with many regional actors, and some of the meetings were managed by professional process facilitators. This visioning process was broad and involved all areas of interest in the region. The idea was to integrate as many regional actors and interests as possible in order to develop a common understanding and identity. The region was well aware that formulating a vision was part of their new role.

The first visioning process was about creating 'the good life' in the region, and in this sense it was very broad in its perspective. Consultants helped with developing a model and with process facilitation to make the process open and inclusive. The result was the five themes mentioned above. The main problem with the strategy-making was that there never developed a broad ownership to the strategy and that the planning department acted more as strategy makers than as strategy finders in a collaborative process..

***Strategy-making: cohesion or complementation?***

In the regional administration, the search continues for more cohesion within and between strategies. The RUS is suggested as the higher order strategy that can integrate all other regional strategies.

The regional politicians see it differently. They do not mind that different strategies are formulated (although they also prefer fewer strategies and goals than in the first RUS), nor do they see the need for a straight line or cohesion between the strategies. The making of a strategy is viewed more as a productive process joining people and interests in engaged discussions and decisions about important political issues in the region. The strategies may and should inspire one another, and it is not important to create a hierarchy between the strategies. In the process of making the second RUS, it was discussed a lot in the regional council whether to have a separate Agenda 21 and perhaps a climate strategy or whether the Agenda 21 strategy should be integrated into the RUS. A compromise was to draft a briefer Agenda 21 strategy as a separate document.

The interest in the region has moved from broad visioning to selecting a few areas and issues on which to act. Climate, green growth/tech, health and education are the new focus areas in the region. Furthermore, the interest is

focusing on making the strategies operational and measurable through projects and activities. Both in the political and administrative regional systems, there is a need to measure results and effects of the strategies.

In the first RUS period, there was almost no connection between the RUS and the Business Development Plan (described below). In the making of the second RUS, however, the connection between the two strategies has become clearer. The Business Development Plan (BDP) has influenced the RUS 2011 in its focus on green growth and education, and the RUS has influenced the BDP in its focus on climate, sustainable growth and the international perspectives. They overlap in several areas, but the RUS must still be broader than the BDP. In the region, it has become more difficult to separate the two strategies in the daily work of regional development. However, it is stressed that it is very important that the strategies be formulated by two different actors: one by the regional authority and the other by the Growth Forum with the municipalities and private interests represented. In the region, they envision a process in the second RUS period where the strategies will complement each other.

**Achievements**

The first RUS 2008 was a combination of several sector strategies without any action plans. The region is dependent on other actors to implement the plan, and when the municipalities did not want the RUP to become a success, it was a great disappointment in the region. However, several themes found in the 2008 RUS can also be found in RUS 2011.

The most important achievement of the first RUS might be that a common picture and understanding of the region's problems was formulated, making it possible for the various stakeholders to act together to deal with regional problems, e.g. low education. In the new region, there was at first a great need to construct a common identity and framework, and the discussions about the different issues with a lot of actors involved, enabling them to get to know each other, was surely needed at the time. It has become the point of departure for a lot of common initiatives in the region and development of new, more focused strategies in the RUS 2011. The issues of climate, green growth and education prevail from these networking processes and from the formulation of common understanding.

In cooperation with other regional actors, the region has initiated a number of projects to implement some of the strategies in RUS 2008. Listed below are activities of the Growth Forum from 2007 to 2011 (Region Sjælland p. 45):

Table 3: Growth Forum activities (2007 – 2011). Topics and funding (mio €)

| Business Development Strategy 2011-2014 | Number of activities | Regional Funding | Structural Funds obj. 2 |
|---|---|---|---|
| Energy, environment & clean tech | 4,9 | 12,8 | 18,0 |
| Medico/pharmacy & health innovation | 1,9 | 5,2 | 1,2 |
| Food and agriculture | 3,3 | 3,7 | 4,1 |
| Tourism and events | 2,9 | 10,8 | 2,0 |
| Innovation and internatinalisation of enterprises | 6,4 | 21,9 | 7,5 |
| Working skills for the future jobmarked | 6,1 | 4,9 | 22,0 |
| The regional between metropoles | 2,3 | 3,6 | 0,0 |
| Total | 27,9 | 62,9 | 54,8 |

Source: Region Sjælland 2012b, p. 45.

In the interviews, respondents discuss how to measure effects. A lot of the work in the region has only indirect effect. An example is that the region can facilitate the meeting between regional actors and the making of strategies in collaborative processes about raising the level of education in the region. They have been very successful in doing so: there are plenty of networks, strategies and projects. This is an indirect or implicit effect. However, in terms of an actual increase in the level of education among the region's citizens, they have to wait and see and hope for the best! There will be other factors influencing this result, and it can be very difficult to measure a linear and causal link between the facilitation and the educational level.

In the region, they are occupied by this discussion and are working on developing measures and documenting results and effects of the strategies.

**Regional agenda and positioning**

In the first RUS process, there was a great effort to construct an identity of the region as a 'bridging' region (connecting the capital region, the Øresund region and Northern Germany) and as a region close to the metropolitan area, but with its own development possibilities. In the region, there were conflicting interests between cities and geographical areas of the region, and the first years were used to balance interests. Two towns in the region, Roskilde and Køge, argued that they were more related to the Capital Region and had difficulties with being part of the new Zealand Region. In the first period after the 2007 structural reform, the importance of integrating the periphery into the regional development strategy was also stressed. Several decisions were made in order to support development throughout the entire region in the form of a decentralised regional model.

In the second RUS, the idea of regional development has changed toward a more centralised model. Now, two growth areas/cities have been selected: Roskilde and Køge in order to generally strengthen the regional competitiveness and to attract some of the development that would otherwise locate in the Capital Region. The idea is that these regional centres have to connect with knowledge and educational institutions in order to enhance their competitiveness. The peripheral areas need to have proper service institutions and adequate public transport. This new regional development idea has been agreed upon both by the state and the municipalities.

If we look outside the region, a model from the first RUS shows very well how the region is perceived according to different relations and tasks. Here we see multiple identities of the region through the different kinds of cooperation with the outside world.

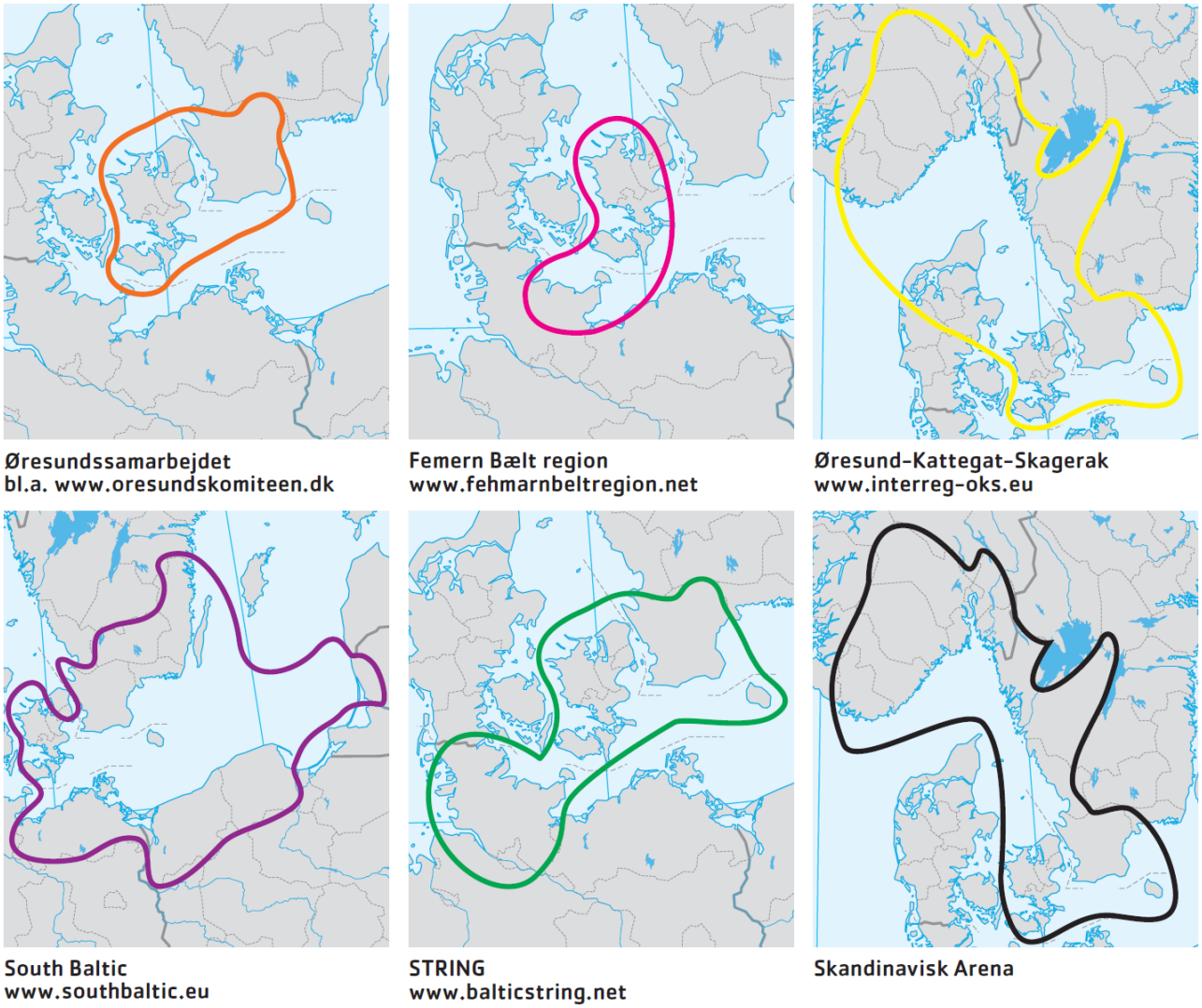


Figure 16: Examples of the variety and overlapping policy territories of Zealand Region. Source: RUS 2008, p.25.

After the decision about the Fehmarn Belt connection has been made, this cooperation is the most important, together with the STRING cooperation. The chairman of the Zealand Regional Council is also chairman of the STRING cooperation and represented in all the other important cooperation showed above. He constitutes a personal link and coordination between the different cooperation arrangements. The regional politicians are increasingly involved in international cooperation, and most recently, cooperation has been established with a large region in China.

## Regional Business Strategy

### Context

The regional business strategy was elaborated by Growth Forum Zealand. Growth Forum Zealand was established in 2006, and as a new policy institution, it had to invent everything from the beginning. The Law on the Growth Forums did not describe the functioning or methods of how they should operate. There are only few specific guidelines in the law.

In Zealand Region, the interest for participation in the new Growth Forum was high among regional actors. Therefore, a decision was made that besides the representatives elected to the Growth Forum, there was established a very broad secretariat (70-80 participants) where all interested parties could participate and follow discussions about the business development. A small administrative secretariat in the region served as support for the Growth Forum.

The Growth Forum Zealand held four meetings during the year and, due to the large number of participants, a chairmanship was elected to manage the daily activities. It was also decided that the Growth Forum should arrange a conference once a year to discuss the business strategy and regional matters. At this conference, the broad secretariat is participating.

In the first period, Growth Forum Zealand had to construct its routines and procedures, and the members had to get to know one another. In the first period, the Growth Forum had a wide agenda and initiated activities within various areas. The work routine became bureaucratic, with a very long agenda on the meetings and a heavy reading load for members for each issue on the agenda. There was not much discussion at the meetings. The meetings became decision meetings, with discussions and mandates decided beforehand.

During the first period, this manner of work was criticised, especially by members from private organisations. They wanted a more focused and more efficient way of working in the Growth Forum.

In the drafting of the first business strategy, there was only little cooperation with the regional planners who were formulating the regional development strategy as mentioned earlier. The administrative secretariat for Growth Forum Zealand had its own section and administrative leader, as did the regional development section. This would also changed by the end of the first period so as to make coordination easier.

After the next election, a third of the members in the Growth Forum were newcomers, including the chairman, who is also the chairman of the region. A new way of organising the work was introduced, as we shall see below.

**Content**

The current regional business strategy of Zealand Region is the second produced by the Growth Forum. It is produced in concert with an action plan [2] [3]. It was decided that this business strategy should be more focused, with precise goals that would limit the area of activities. Activities should serve to strengthen the growth areas in the region.

The resulting business development emphasizes four action areas:

1. Strengthening business development in the green sectors (cleantech, energy, pharma, food and tourism)
2. Innovation and internationalisation of companies
3. Increasing the competencies of the labour force
4. Developing potential as a region connecting the two neighbouring metropolises, Hamburg and Copenhagen, following the construction of the Fehmarn Belt connection.

The action plan specifies eight topics to be given priority in 2011 and 2012: (1) market-driven business clusters, (2) internationalisation of business companies, (3) development of green industries, (4) improving the education system, (5) innovation in the health sector, (6) developing the growth potentials following from the Fehmarn belt connection, (7) improving the flexibility of the education system, (8) innovation in companies.

For Growth Forum Zealand, it is important that activities and projects are connected and build on each other instead of working on their own in different directions.

In the business strategy, we now find similarities to the regional development strategy. The two administrative sections started to work together, and they now focus on the same issues and share data about development in the region.

## How, who and achievements

### How was the process established?

As mentioned earlier, the Growth Forum consists of regional and municipal actors, representatives from knowledge institutions, from local industry and labour market. The regional chairman is also the chairman of the Growth Forum. Growth Forum Zealand changed one-third of its members after the second election, including its chairman.

In the second election period, the Growth Forum changed its way of working due to the criticisms mentioned above. The broad secretariat, with the large group of members, was eliminated, as was the chairmanship.

The new chairman wanted the Growth Forum meeting to be more strategic, with discussions of relevant themes for the strategy and the future development. The result was more strategic cases on the meeting and fewer administrative cases. The purpose was to compel the participants to discuss with each other and to develop common ideas and meanings which would strengthen ownership of the strategy. The chairman of KKR also was included in the Forum (which was not the case in the first period) in order to secure a strong relation to the KKR.

Instead of the broad secretariat, a reference group was established for each of the parties in the Forum. They were kept informed, remained open for professional dialogue and support for Forum members and invited to seminars and conferences. The Forum members organise meetings for preparation with their respective reference groups prior the meetings in the Growth Forum.

In the process of formulating the business strategy, there are several strategy seminars where the strategy is discussed with the larger group of interested parties. There is a big interest in the region to follow the process and influence it. In this way, the secretary and chairmanship try to get informed about developments in the region, to obtain new ideas and to develop ownership of the strategy. The seminars and annual conference are also meant to be tools for networking for the regional actors.

The new way of working has diminished the amount of meetings and use of resources that were getting too demanding. The secretariat still works on

developing the process to make it more efficient without losing the broad participation and interest in the region.

The cooperation within the regional administration about the strategies has also changed. A new organisational structure was made which meant that the employees responsible for the two strategies had the same administrative leader, and they started to work closely together. Presently, they are developing a common understanding of the problems and needs in the region and of the strategies needed.

**What kinds of relations to other actors were established during the process?**

It is worth mentioning that besides establishing new relations with other actors during the process, relations between the members of the new Growth Forum were formed and new avenues of cooperation were opened. Thus, in a group interview with the head of University College Zealand, the head of the Zealand Institute of Business and Technology and a representative from the Danish Chamber of Commerce, it was emphasised that new relations were formed between the members of the different sectors of the Growth Forum, i.e. the business sector, the municipalities and the education institutions. They all began to arrange preparatory meetings prior to the actual meetings of the forum. The strengthening of relations internal to the different sectors was not reported negative, e.g. leading to confrontations between the sectors. “We are of course divided into sectors in the Growth Forum, but the meeting of the different sectors, the municipalities and the business sector creates a new common basis for the region. Therefore, in my opinion, we have an important mission bringing this region together and based upon a joint understanding of the kind of problems we have.” The informants commented on cooperation thusly: “The cooperation between the business sector, education institutions and the municipalities has created an enormous sharing of knowledge and networking and, in turn, made us capable of doing things together. This is very result-oriented.”

Rather than leading to confrontations between the sectors of the Growth Forum, each sector developed new competencies, alliances and opportunities for building up strategic leadership: ‘We would never have established cooperation on education if it were not for the Growth Forum. The consortia in the education sector formed during the first period would never have been established if the Growth Forum had not brought us together. And, probably, other sectors experienced the same.’ In the business sector, it was mentioned that participation in the Growth Forum was first ignored by the Chamber of Commerce. Later on, however, the Chamber of Commerce realised that a regional arena for business policy had been created and had to be taken

seriously. The traditional national policy-making of the Chamber of Commerce thus became more regionally-oriented.

The Growth Forum also established a number of external strategic relations. In connection with the eight topics that formed the skeleton of the 2011-2012 action plan. The Growth Forums action plan systematically describes the actions and partners to be involved strategically or as subcontractors and expected effects of the actions.

Cooperation agreements have been established with six organisations:

1. Copenhagen Capacity (for marketing the region)
2. Technical University of Denmark (business networking on selected technologies)
3. Invest Denmark (marketing towards foreign investors)
4. Danish Technological Institute (technological innovation of companies)
5. Roskilde University (innovation via cooperation between researchers, students and companies)
6. Eastern Danish Tourism (marketing Zealand Region as a destination for tourism and conferences).

In addition to these partners, the following institutions are mentioned as cooperating partners for the 2011-2012 action programme:

7. Ministry of Food, Agriculture and Fisheries
8. National Knowledge Centre on Food and Health, VIFFOS
9. Green Center
10. Danish Meat Institute
11. The Danish Meat Trade College
12. Øresund Food Network
13. Research Centre Flakkebjerg
14. CAT Invest Zealand
15. Business Schools of Zealand Region
16. University College Zealand
17. Growth House Zealand
18. String Partners

With the exception of the String Partners, all partners mentioned are located in close proximity, i.e. in Copenhagen or in the Zealand Region, cf. figure 17

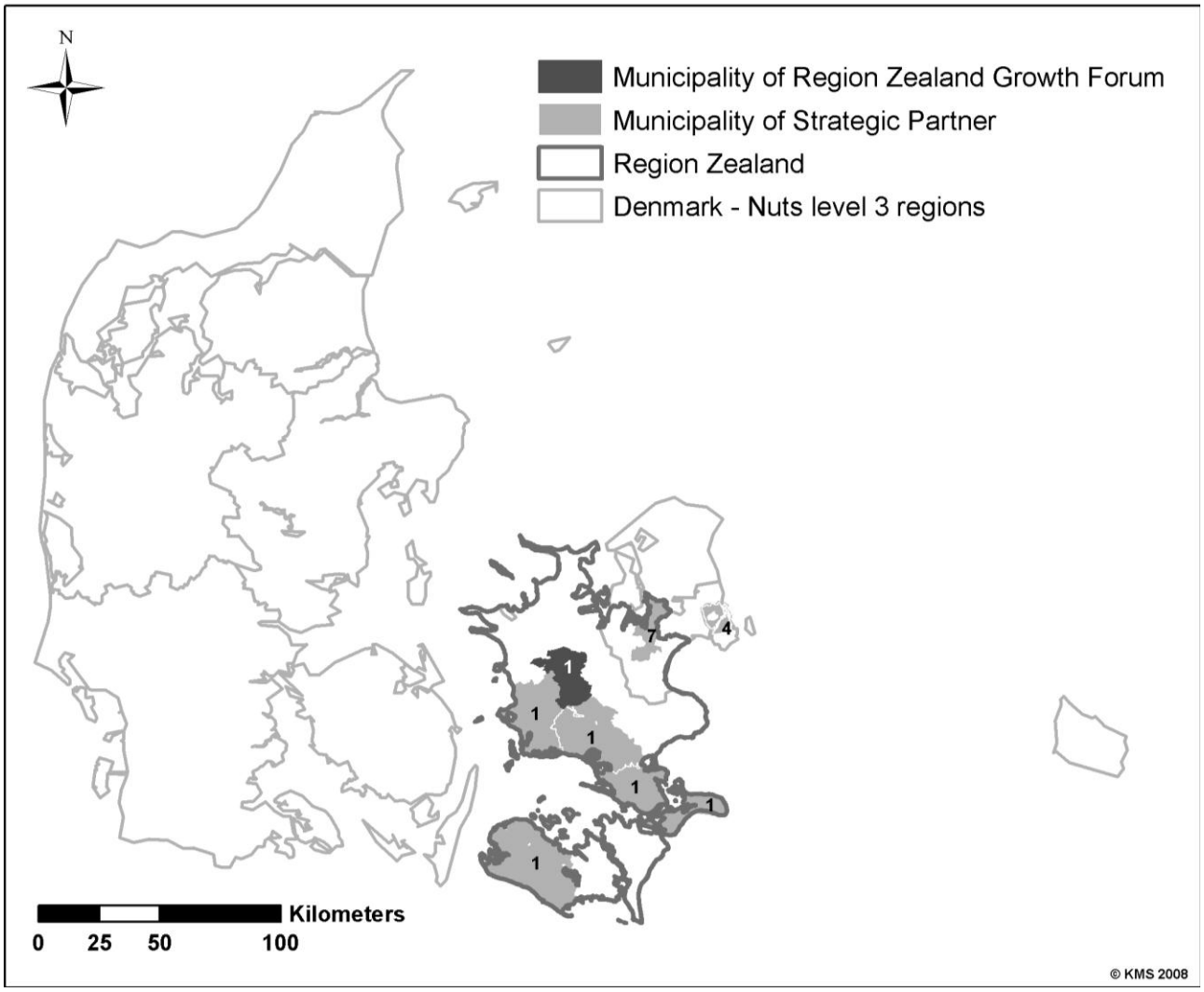

Figure 17: Cooperation partners, Zealand Region Growth Forum

**What was achieved?**

Concrete outcomes of the business strategy were not explicit. 'We try to evaluate the results of our strategies, but it is very difficult. It is, thus difficult to see what the strategies are creating in the way of jobs, welfare and growth.'

However, some of the interviewees experienced positive impacts from cooperation in the Growth Forum, as with the above mentioned new profitable networking relations established by the education institutions. These kinds of achievements, an outcome of the process rather than the strategies, are indirect achievements, but they need to be taken into consideration along with direct outcomes. This point was explicitly emphasized by the three senior officials of Zealand Region (PAMB). They argued that indirect effects occur when the business development activities get new actors to start talking together and exchanging experience in their own interest, or when an institution changes policy focus from a formerly purely national one to a more regionally-based issue. This was the case when the members of the new

Growth Forum inspired the Danish Chamber of Commerce to include a regional dimension in the Chamber's formerly nationally-oriented business policy.

***Are the achievements satisfying?***

The interviewees expressed diverging attitudes about the results of the business strategy and activities of the Growth Forum. Those profiting from the new opportunities of networking established by their participation in the Growth Forum took notice of the indirect achievements and seemed to have positive expectations as to the future direct outcomes of the strategies.

The representative of the business sector, although not mentioning any indirect positive impacts of the Growth Forum activities, emphasized the lack of direct positive outcomes. Generally, he was sceptical due to the structural weaknesses of the current business development tools, such as the bias towards funding public institutions rather than private companies created by the EU 'de minimis' rule (limiting direct funding of private companies). He recommended a much more realistic interplay between business development strategies and more focus on the realities facing the business sector in the region.

It goes without saying, however, that assessments of the outcomes of projects and strategies is generally a core issue not only in the Growth Forum but also in the Regional Council. Members of these forums feel responsible for demonstrating the benefits from the spending on projects. Therefore, consultants have been hired to assess the outcomes. The Growth Forum has turned its strategy from mere evaluation of project applications to actively taking part in developing projects and or stipulating milestones for progress reporting. These efforts have overtly influenced the layout and methodology of the Business Development Strategy. Thus, the previously mentioned eight topics for action forming the skeleton of the strategy include explicit measures for evaluating impact. For example, the effect of market-driven cluster actions must include (1) development of new quality food products, (2) more new entrepreneurs in the area of food production, (3) an application for new funding, … and four more milestones. It is interesting to note is that the milestones used include outcomes in the real world as well as actions to be taken. However, there are no indirect outcomes. In the table below, the number of action-milestones and outcome-milestones are shown:

| | | | Topics for action | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| | | | clusters | companies | The Green Laboratory | Education | Health innovation | Metropoles | Flexibility in education | companies |
| **Indicators** | No. of actions taken | 27 | 4 | 4 | 3 | 4 | 1 | 5 | 4 | 2 |
| | No. of outcomes achieved | 19 | 3 | 2 | 3 | 1 | 4 | 2 | 2 | 2 |

Table 4: Topics and indicators for actions – the Regional Business Development Strategy, Zealand Region. The table shows the headings of eight topics for actions and the number of indicators set up for measuring actions taken and outcomes achieved.

Summing up the lessons from the interviews, outcome assessment is a core issue. There is awareness not just about the technicalities of assessment methods. Members of the Growth Forum and the Regional Council are deeply concerned about the efficiency of strategy-making. Two aspects of efficiency have come to the fore. On the one hand, shortcomings in instrumental efficiency were emphasised by the representative of the business sector: the strategic instruments were viewed as being incompatible with the real problems to be solved. On the other hand, the efficiency of existing institutions was identified as an outcome of the mere process of strategy-making.

**What were the key instruments used?**

***1. Visioning***

In the early period of the Growth Forum, constructing visions was part of the Forum's identity-building construction. Data were collected that would provide an image of the region, and several seminars and conferences were used to develop visions and strategies. The result was strategies and projects within a wide activity area in the region.

The use of visioning in the next business strategy, however, is modest. A common idea of the region and its problems was developed. Focus was placed on how strategies, projects and effects have entered the agenda. One

member of the Growth Forum argued that strategies have to be based upon thorough knowledge of the situation: 'who you are, and where you are'. Visions of the future concrete – and measurable – should be set up, with goals to be achieved. This idea of solid anchoring of the visioning in existing problems to be dealt with and within the realm of the instruments available to the Growth Forum, is carried out, as mentioned earlier, with an almost transparent logic in the eight action topics of the business development strategy.

The need for a 'down-to-earth' visioning process was expressed from another perspective by the senior officials in the administrative secretary. They were concerned about the tendency of expressing negative images about Zealand Region. Much of the common understanding of the situation in Zealand Region concern the below-average education-level, high unemployment rate, shortage of innovative enterprises and low profitability. It was argued that a change of attitude has taken place: 'Now, we rather try discursively to change the image-making of the region towards the strengths and opportunities'. Although this is not about great visioning, it is about visioning at day-to-day level produced in the way one talks about the region.

One important task of the administrative secretariat is to monitor developments in the region in order to keep track of changes. Besides collecting data, a task outsourced to others, they have meetings with regional actors to follow the development. They get information from a wide range of sources and actors, and this constitutes the background for changes or revisions in the strategy. Every year, the strategies are discussed and changed if necessary.

### *2. Finance*

Growth Forum can use finance as a tool to govern. Of special interest is the funding of regional development projects and actions. About DKK 220-250 million per year are allocated to regional development initiatives in Zealand Region. About one-third of these funds are for regional development, allocated and disbursed by the regional council. Another one-third is regional business development funds paid by the regional council on the recommendation of the Growth Forum. Finally, one-third is EU Structural Funds allocated by the Danish Enterprise and Construction Authority on the recommendation of the Growth Forum.

There is no doubt that the financial tool to support projects is an important tool for the Zealand Growth Forum, and one factor behind the large interest in the Growth Forum among the regional and local actors.

In the regional development section there is also some financial support for business development, and in the second period, it was decided that applicants could just submit their application to the region and they would decide which applications would fit best. This is a clear sign of increasing cooperation between the two strategies.

Within the Growth Forum, networking between the actors representing different interests has increased in the second period due to the open discussions and informal communication during the meetings. In addition, the administrative secretary arranges other meetings and seminars where networking is an important activity, and considerable effort is made to bring regional actors together in the education sector, as mentioned above.

### *3. Positioning*

Seven of the eight action topics within the business development strategy are focused on developing assets within the region: economy and employment, climate orientation of the business sector, education and competencies of the labour force, innovation in companies and growth of new companies. Only the eighth topic is about relations with the outside world: developing the role of the region as a connection between the neighbouring metropoles, Copenhagen, Berlin and Hamburg. This topic has become relevant due to the projected Fehmarn bridge or tunnel between Denmark and Germany. The new connection will alter the geography of the region by creating closer proximity with Germany and a new role as a region of transit, mediating increased flows of people and goods between Sweden and Germany. Further, during the period of construction, hundreds of new job and sub-contracting opportunities will open up.. Due to the importance of the Fehmarn connection, a 'Fehmarn Belt Growth Strategy' was developed as one of three special action areas of the partnership agreement between Zealand Region and the Danish Government.

In spite of the importance ascribed to the Fehmarn connection, most partnerships within the business strategy are established with partners inside the region. Thus, 17 of the 18 partners mentioned in the business strategy are situated in Zealand Region.

The focus on Zealand Region was acknowledged by the representative of the business sector:

'The discussions in the Growth Forum are focused upon Zealand Region, e.g. that we shall maintain, protect and develop our educational institutions, and this and that. Maybe this kind of thinking restricts us from, for example, cooperating with Hamburg on health and medical services. It is possible that their medical care is more advanced than in Denmark, and that we should ask the medical helicopter to go south rather than to the Copenhagen University

Hospital. But we have started. Earlier, we were only able to work within the borders of the region. Later, we talked with the Technical University and RISØ [laboratory], situated on the edge of the regional border from where we moved further into the Øresund Region. Today we cooperate with Aarhus University, and there is a general understanding that expert competencies may be situated outside the region, competencies that the region might be able to profit from. It is funny with the protectionism in the early days.'

### *4. Focus*

Along with visions, it has become common that strategies are focused upon development potentials rather than existing problems. As mentioned previously, visions play only a modest role in the business development strategy, as do development potentials. Instead, the strategy focuses upon problems that need to be dealt with like low labour skills, low innovation, low growth, etc. The focus upon problems is in line with a general demand for situated strategies expressed by the interviewees.

The representative of the business sector asked for an even deeper anchorage in the economic and demographic situation of the region. The dependence of the capital region and the role as hinterland to the capital region should be further accepted as a precondition for development. 'We should admit that we are something else'. Also, more focus should be placed on the clusters already existent in the region, such as the seed cluster.

Generally, he suggested that the method of formulating strategies should change. The Growth Forum should act through three phases: (1) discussion and problem identification, (2) funding ideas and (3) offering growth guarantees. Through discussions and problem identification, the general business policy in Denmark should be influenced and improved. At the regional level, easy access to funding of the development and testing of ideas for new products should be available and not restricted by EU rules. Finally, guarantees should be offered people who want to start up promising and tested ideas.

The demand for situated understanding of the problems to be dealt with was emphasized by the two representatives from the education sector and the representative of the Chamber of Commerce:

'Our primary mission is to bring this region together and to foster an understanding of the problems we face in the region. We are not able to compete with Copenhagen. We have to find our own way to do things. We are challenged by Funen and Copenhagen and are not able to apply growth-

strategies. The population figures are negative. Therefore, we have to figure out what we are good at and stick to it. If we don't, we will not get anywhere.'

These ideas seem to be broadly supported by the Region's senior officials:

'What we are trying to do in the forthcoming regional strategy is to establish a discourse on what we a good at. To do so was challenging, since in the first RUS we had been stigmatised as the most stupid and fat ones, etc. What we are now trying to do is to build upon the real regional strength positions. We do have many small and medium-sized enterprises and a lot of vocational trained labour force willing to move. We are the ones who commute the longest distances in Denmark. We shall build upon these facts and turn them into positions of strength and into images of our own self-esteem.'

Besides the demand for focusing upon the region, its problems and assets, a process from a broad multifaceted to a more focused fewer-faceted perspective has taken place: The situation was generally described by several interviewees. The senior officials mentioned that during the work with the first RUS,

> 'the regional council developed a plethora of nine sub-strategies to the RUS. Now, we rather say that we have three pivotal strategies: The Agenda 21, the Business Development Strategy and the Regional Development Strategy (RUS). They must glue together and taken all together, cover the entire regional area of development.'

The quest for more focus tells us a lot about the political landscape in which we have been navigating for the last four years, and how the aspirations of the politicians have developed.

The senior officials are convinced that the demand for many sub-strategies during the early years of the region's existence was a sign that many former politicians of the former counties needed to find their new roles as politicians in the new larger region and needed to test their areas of action. The more general aspect of this observation is that strategies are not just the product of the needs for a strategy. Also, strategies are communicative tools for politicians.

### *5. Horizontal – vertical integration*

The business strategy is a tool for the regional development strategy (RUS). Therefore, close links should be established between the two. However, due to the close relationship with the national growth strategy, as established via

the partnership agreement between the government and Growth Forum, the business development strategy is serving two masters, the regional council and the government. It is therefore not surprising that members of the Growth Forum seem to act from a solitary position of their own. Rather than acting as a member of some 'RUS-community', the members of the Growth Forum are keen about developing the role of the forum and the business development strategy.

The independence from the RUS was stressed by the representative of the business section of the Growth Forum, mentioning that the Growth Forum concentrate on the business development strategy and not take part in discussions with the regional council on the needs for inputs to the RUS. He could not remember whether discussions on RUS issues had taken place in the Growth Forum.

As described above, the administrators in the region now make sure that there is an interaction and coherence between the two strategies. This was not the case during the initial period of strategy-formulation. But in line with the observations from the Growth Forum, the senior officials from the administration stated that the Growth Forum has a life of its own independent from the regional council. There is not a strong relation to the political level – it is the administration and the regional chairman, who also chairs the Growth Forum, who has to make this relation. On the other hand, they argued that the regional council has become increasingly interested in the work of the Growth Forum. As earlier mentioned, the Business Development Strategy is now taken as one of three pivotal strategies, the other two being the RUS and the Agenda 21.

One of the lessons to be learned from the interplay between the Business Development Strategy and the Regional Development Strategy and the interplay between the regional council and the Growth Forum is that integration does not equal assimilation of one strategy with another strategy. Rather, integration is taking place *between* strategies developed in their own right by agencies belonging to overlapping strategy and policy communities (the government, the Regional Council, the Growth Forum and regional institutions and business sectors). Integration is thus about keeping agencies on the same playing field, playing with familiar strategies, rather than merging strategies of different players into a single strategy.

### *6. Other strategic tools*

As situated in the 'machine rooms' of the RUS and the Business Development Strategy, the senior officials were concerned about tools for operating strategies. Much attention is given to the 'hard' and formal tools: influencing the spending of Structural Funds and Regional Funds via project refereeing

and recommendations, strategic cooperation with (most) regional partners and the spending of own means.

Besides these means, the senior officials emphasized two methods successfully used by the Growth Forum, both which are concerned with networking.

The first method is to act in the interest of stakeholders by joining the forces of the stakeholders. One such example was mentioned. The Growth Forum arranged a traffic conference with the participation of the minister of transport. Seventeen municipalities of in Zealand Region took part and were successfully acknowledged by the minister as an influential lobby-group.

The other method concerns the mediation or facilitation of agents that might be able to profit by starting up cooperation on new issues, projects of strategies. As an example, the senior officials mentioned the facilitation of cooperation between the regional knowledge institutions, the business sector and the municipalities. A forum for higher education has been established in the region. Four times a year, the forum meets to discuss common challenges such as raising the level of education from its present low level. A project on higher education is being developed in order to enhance the capacity of the present rather small knowledge institution in the region. It is an aim to become autonomous from central institutions in Copenhagen, since they might not be interested in servicing the peripheral regions of Zealand Region.

## Theoretical analysis and conclusion

Part of this study was the testing the empirical findings along with four theoretical concepts that were found relevant for characterizing regional integrated strategies. The concepts were policy integration, (meta)governance, planning collaboration and policy transfer.

### Policy integration

In Zealand Region *cross-sector integration* within the regional authority was the main integration issue in the first regional development strategy. The idea was to integrate different policy areas in the region into a common strategy. The regional authority defined its role as the only authority capable of making this form of integration, which has a long tradition in Danish regional/county planning practice. The first development strategy dealt with cross-sector issues as a means to achieve this integration. For different reasons, the integration ended up mostly as an integration ‘on paper’ and not in practice. Besides the common strategy based on integration, the regional development strategy also contains several sub-strategies concerned with traditional

functional policy areas, e.g. health, culture, Agenda 21, etc. This demonstrates the internal difficulties in the regional administration in cross-sector cooperation and coordination.

*Inter-agency integration* is found especially in the beginning of the process at several seminars where different regional parties – public and private - were invited to discuss important themes for the regional development strategy. But from this point, the strategy became mainly internal to the regional administration, and it is in the integration between municipal actors and the regional authority that we find the main conflict and lack of integration in the process. The municipalities did not want to carry out proper integration and cooperation with the region. Generally speaking, there was a lack of inter-agency and organisational integration, and no practical measures taken toward strategic or operational integration.

In the making of the second regional development strategy, we find several changes in policy integration. The integration moves in general from a cross sector integration 'on paper' to an *inter-agency integration and organisational strategic integration in practice followed by an increasing interest in operational integration*. The strategy now is to focus on a limited number of specific issues, coordinated with the regional business strategy and with a starting point in the strategic needs and cooperation with the municipalities (through KKR). The strategy is also based on increasing regular contact and relations to other public and private regional actors.

It is notable that in both the first and second regional strategy formulation we do not find any real effort to carry out a *territorial integration* with e.g. the neighbouring capitol region or other regions. The first strategy is focused on making a common identity (bridge builder) for the new Zealand Region consisting of three former counties, each with their own identities. In the next strategy, the effort is to establish relations and networking with other regional actors within the regional borders.

The regional business strategy is a one-sector policy strategy. However, there is a tendency to define business policy in a very broad sense, such as health and education, and in doing so, the business strategy overlaps with the regional development strategy. In the first period of strategy development, there was little cooperation and coordination between the two strategies. In the next period, organisational, strategic and operational integration is made between the two strategies. The regional strategy includes the same core issues as the business strategies. The two administrative departments in the region work closely together, and they administer applications for funding jointly.

In general in Zealand Region we find a development *from limited policy cooperation towards policy coordination as a main purpose* and in some cases integrated policy-making. However, integrated policy-making is not to be understood as a new comprehensive policy for the region. Instead, we find relational connections between different strategies in the region (families of strategies). The ambition for policy integration has changed from comprehensive policy-making to *making relations, connections and overlaps in different regional policy areas and issues*. This is an ongoing and never-ending process due to constant changes in regional development. The latest interest in the region is how to combine the overarching frameworks of the business and regional strategy with concrete results, and then to find a way to measure the effects of the strategies. The relationship between strategies and operational choices has become more important.

**Meta-governance and new forms of governance – soft/hard spaces**

In the Danish case, the 2007 administrative reform changed the regional governance situation from a government with three tiers of hierarchical administration to a system of *governance networks* with several public and public/private institutions at the regional level and a high degree of mutual interdependence. The regional strategies are to be constructed in this complex and fragmented governance situation. The regional authority is no longer above the municipalities, and a new formal public private policy institution has been created (the Growth Forum), together with new coordination networks (the KKU, SKU) between region and municipalities, supplemented by an informal municipal cooperation institution (KKR). According to the law, no strategy is in a hierarchical position relative to the other, and all strategies have to relate to one another. It was very difficult for the regional authority to get used to this change from a government with a binding regional plan to a network governance situation with a non-binding strategy. For this reason, they changed the name from a regional development plan (as stated in the planning law) to a regional development strategy.

In the Danish case, the territory is defined by political, administrative and jurisdictional boundaries. It has clearly the characteristic of a hard space. In the strategy building, these boundaries are very clear – the strategies in regional and business development relate mostly to the area of the region proper. We also find actors and institutions with defined roles within this territory but not in a hierarchical order. One might say that we find a *crossover of models with a type 2 multi-level governance* situation with government, public/private and private institutions relating non-hierarchically to one another but operating within *a hard space with jurisdictional and territorial borders.* The regional administration actually had a notion of the region as having multiple identities organised around different spatial or policy problems

(illustrated in the strategy) but in the first period of strategy making, they construct a framing strategy related to the jurisdictional borders because the construction of a single regional identity was stressed as most important after the fusion of counties. The same is occurring with the business strategy.

In the first election period after the structural reform, the new network governance situation did not build upon a sense of interdependence between the regional actors. On the contrary, they got into conflict with one another and into power struggles over who dominated the strategy process. The region, the Growth Forum and the KKR (the municipalities) wanted to act as a meta-governor in the new situation. The actors marked their roles and concentrated on cooperation and coordination *within* their own new institution or network and not between them. *The lack of cooperation and absence of a common sense of interdependence* undermined the practical effects of especially the regional development strategy. The effectiveness of the regional development strategy and the coherence with other strategies was low.

In the first period of regional strategy-building, *accountability* was the main legitimising factor based on the regional political council and the specialised expert knowledge. Representative democracy and scientific knowledge were the two main values for helping to legitimate the decisions. However, participation and openness in the beginning of the process and following the planning law (the hearing periods) were also part of legitimising the process. Later on, the process became more closed and internal to the regional administration, and criticism was raised from the municipalities about the closed character of decision-making.

One major point of conflict during the initial period after the reform was how to define the role of the regional authority. In general, we found a *struggle about being the most important meta-governor*. Everybody accepted the Growth Forum as a new formal meta-governor in the area of business development, combining public and private interests, and everybody was represented in this policy network. There was also a broad group of regional actors participating in and following the strategy-formulation process in the business area. The Growth Forum has by law the possibility to use all the meta-governance forms but especially the hands-off story-telling was not used as a governing tool in the early years. This governance network developed from a loosely knitted network with separate parties and interests to a more tightly knit policy network building on common ideas and meanings and on consensus-building. Story-telling has become more important in the second period of strategy-making, and a new chairman has focused more on strengthening the meta-governance tools.

Furthermore, the KKR was established as an informal government body working and functioning as a self grown policy network based on interdependency between municipalities, consensus making, common understandings of regional development, etc. The chairman of KKR in the first period was very competent and occupied by the idea of meta-governance as a new governing tool in KKR and to make this body more important than the regional authority in regional development. The capacity to perform meta-governance in relation to the municipalities was an important factor in making KKR very influential in regional development.

The municipalities did not want the region to govern, and they tried to prevent the regional development strategy from being a success. According to the law, the region should take on the role as a meta-governor in regional development. The regional authority, both at political and administrative levels, had great difficulties accepting their meta-governance role and in performing this role in practice. With the municipalities rejecting the region's role – because they wanted to be the regional meta-governor themselves - the strategy process became difficult. Meta-governance is possible only if people agree on somebody having the authority to become a meta-governor. You can be very competent in story telling, but if nobody wants to listen, the story has no impact as a governing tool.

In the second period of regional development strategy-making, we observe an *important change* in the governance situation. The actors have been through a learning process over four years dealing with the new situation. New competences have been developed together with new procedures and rules for cooperation, and they have agreed on working together instead of fighting each other. A new common understanding of the fragmented governance networks situation is about to develop at the regional level. An interesting finding is *how the meta-governance situation develops*. There is not one actor or institution taking on the role as *the* meta-governor at the regional level. It seems as if all the key actors are performing some form of meta-governance in different situations and dealing with different policy problems. They negotiate who has taken the lead in various cases and divide the meta-governance role between them. At first, the municipalities only wanted the region to take on a coordination role and not an overall framing role. Later on, the municipalities accepted that the region enter the framing and story-telling role in regional matters on which they could degree, e.g. education and climate. This leads us to conclude that meta-governance might not be the right concept for this regional governance situation. *Meta-governance is about steering, and in the Danish regional case study, it seems more appropriate to talk about the need for mutual adjustment through pluricentric coordination.*

In the Danish case, pluricentric coordination is brought to life through governance processes that provide *dynamic, situated, decentred, interactive and overlapping linkages that promote communication between otherwise disconnected actors, stories and practices.* The linkages are *dynamic and situated* because coordination takes place within a context of change and because the regional problems call for complex and specific solutions (no universal models). It seems like there is an ongoing adjustment and reorganization of the way coordination is brought about. The coordination linkages are also *decentred* in order to leave a considerable space for manoeuvring and self-governance for the different regional actors/networks/institutions involved in regional development. Next, the coordination linkages are *interactive* in order to ensure exchange of understandings, viewpoints, knowledge and resources among relevant regional actors/networks/institutions. This kind of interactive communication is by no means a smooth process. As noted in the strategy processes in Zealand Region, it is marked by power struggles and conflicts. The interactive character of these processes not only highlights the horizontal aspects of vertical forms of coordination but also emphasises the vertical aspects of horizontal coordination caused by the fact that some are always more powerful than others. This is why the concept of pluricentric coordination might be a more proper term. Finally, the pluricentric approach calls for *overlapping* coordination linkages. The fact that coordination does not take place according to any over-arching rationality or hierarchical position means that the best way to ensure some level of overall coordination is to establish overlapping zones between different stories, strategies and practices in which story work and inter-connectivity can take place. This has become a wide-spread practice in Zealand Region. In the second period of strategy-formulation, the regional actors formed these overlapping linkages so as to make information and knowledge flow between the different parties.

The following factors seem to be important in pluricentric coordination: 1) the establishment of a plurality of interactive linkages between different levels, networks and institutions; 2) adjusting these to context (time, space and regional issues); 3) promoting the construction of shared meaning through the exchange of stories and story work; and 4) facilitating the mutual adjustment of situated practices.

Turning to the *perception of space* in the second period of strategy-making in the region, it is difficult to identify in the strategies themselves changes towards relational space that accord with the new understanding of governance. The perception of space in the regional strategies still seems to be based on the jurisdictional and absolute space definition, with the fixed territorial borders. It might partly be explained by the fact that the planning and business law defines the planning/strategy task to be related to this hard

space. All activities and projects are therefore related to territorial and jurisdictional borders. In practice, however, the situation appears differently. In the second election period, a new chairman for the region was elected, and he has stressed the multiple identities and dimensions in regional space. He makes sure that he participates in and/or is in a leading position in the most important policy networks concerned with different forms of regionalities e.g. education and health cooperation, Øresund Committee, business networks, Fehmarn Belt Board and other infrastructure networks. Furthermore, a more intense cooperation with the neighbouring Capitol Region has developed. Whereas it seemed important for the region in the first period to concentrate on the hard space to create its own identity, the second period has opened up for a more soft-space oriented interpretation and activities.

**Collaborative planning**

There is no doubt that the Danish structural reform and the new planning law constituted a legally binding framework for collaborative planning at the regional level. Without cooperation, no overall regional planning could take place. The case study illustrates the problems and learning process in the development of a collaborative planning situation at the regional level.

There has not been a tradition for proper collaborative regional planning between state, regions, municipalities and private interests in the former planning system. But at municipal level, we find a long tradition for collaborative planning within the municipalities, especially when it concerns urban issues. The municipalities have worked with the development of more open and collaborative planning cultures in the last decade. Of course, the degree of collaborative planning differs between the municipalities, but the discourse is well known and supported by national development projects.

At the regional and state level, collaborative planning has not been very influential. Here we find more traditional hierarchical and expert-dominated planning cultures with only little cooperation outside the planning institutions and with hearings as the usual form of participation. The relations to the other parties are dominated more by regulation, control and information than by dialogue and consensus-building. Especially between the former counties and municipalities, there is no tradition for equal and open dialogues about problems and solution.

*This context, history and tradition for planning influences* the implementation of the new reform, introducing collaborative planning at the regional level and mostly in the form of obstacles. The new regional authority wanted to open up participation in the first strategy process, and they did this mostly through *information and consultation,* involving a broad range of actors in seminars in

the beginning of the first process. When the *KKR* entered the process and conflicts arose, they took on a nearly *advisory position* (placation), with the region still trying to retain the right to suggest and decide and the KKR trying to retain the same position. We found plenty of *obstacles* to consensus-building and information-sharing. Power struggles were the most important obstacle, but other obstacles included organisational structures, the planning culture and lack of competences. In the second period of strategy-making, the actors agreed to try and overcome some of the obstacles and build up a proper collaborative planning process. In the region, organisational structures were changed, new competences were developed, a new regional chairman accepting the new governance situation was elected, etc. In the KKR, they agreed to work with and not against the region. The regional authority decided not to make an open process with broad participation but concentrated on making collaboration with the KKR work. The region and KKR are working together in all stages of the process, from the problem definition to strategies and projects. The power issue is thus explicitly dealt with in an ongoing process of strategy-making. In the second period of strategy-making, the *involvement* of citizens and actors other than the municipalities and specialised regional interests *is not high*: a couple of seminars and the mandatory hearings. Information and consultation are used to integrate the wider group of citizens. On the other hand, the regional planners have started to participate in several different meetings, networks, etc., where citizens and other regional interests are represented. Nevertheless, there is no doubt that the legitimising democratic factor is the representative democracy exercised by the regional and municipal councils.

In the business strategy process, they followed another collaborative strategy. From the start, they accepted and acknowledged that collaborative business planning was the right way to formulate a strategy, and a lot of actors in the region showed active interest in participation. Growth Forum Zealand chose to establish a broad advisory secretary with 70-80 actors representing different regional interests. They followed the process and strategy-making and were more involved because of the *high level of information, consultation and an advisory role*. Growth Forum Zealand is formally a partnership, with delegated power consisting of the diversity of regional public and private actors. This partnership had a difficult start in finding proper rules and procedures that suit all the members (and not just the public members). The early work routine was experienced as too bureaucratic and formalistic, with a tendency to exclude especially the private actors. Hence, the private business interests were not very active in this initial period. A chairmanship was established that concentrated information and knowledge. This way of working was criticized and changed accordingly. So was the role of the broad secretary. In the new period of strategy making the way of working stresses substantial and open discussions at Growth Forum meetings and makes an effort to create

consensus and constructive dialogues between members of Growth Forum before, during and after meetings. The chairmanship has been abolished, and the purpose is to build up common interests and understandings of regional problems and solutions and develop *a closely knitted partnership with delegated power, leading to* a business strategy based on proper collaborative planning. In the second period, the regional business interests have become much more active and dominant in the partnership. The broad advisory secretariat was also eliminated and the different parties in the Growth Forum must now ensure that they are representing broader interests. In this sense, the participatory foundation for the Growth Forum has now become narrower than in the first period. The argument was that there were too many meetings with too many people, and that a more efficient work routine was needed. The broad group of interests are still informed and consulted.

Is there a lack of democratic accountability at the regional level?

The Danish case study illustrates diverse and complex democratic processes in the regional strategy-making. As mentioned, representative democracy is strongly connected to the regional development strategy, but in the formulation of the Business Development Strategy, the relationship is not that clear. Several politicians are represented in the Growth Forum. They are from regional and municipal councils, but the connection to the other members of regional and municipal councils is weak. It is mostly the politicians involved in the Growth Forum who have an influence. This is also the case for the KKR as a major regional actor in both strategies. The KKR consists of municipal politicians, but the relation to the municipal councils in general is weak. A conclusion might be that the new regional governance situation is dominated by a pluralist democracy based on strong elite groups representing mostly professional interests. Obviously, there has developed some form of power balance between these actors/networks/institutions. The participation of the citizen is practically nonexistent.

**Policy transfer and learning**

In the Danish case study, regional strategy-making and new institutional settings were made mandatory by law in 2007. The general institutional setting is a result of compromises and negotiations and combining different government models, values and political demands. The regional role was a special issue of conflict. It was only at the last minute that the region obtained sufficient authority in the field of regional development and the task to formulate a regional development strategy. Their role as strategy makers without legally binding authority is a quite new form of governance in Denmark, and there was no former experience to build on. The law made strategy-making mandatory, but with little direction for methods and tools.

They had to be invented by the regions themselves. The same goes for the strategy-making by the Growth Forum. But all the words and explanation used in the direction of the law is inspired by network governance and from 'good governance' ideas from the EU. There is a mix of different governance ideas all characterised by non-hierarchical governance. This entails pressure on the inter-dependence between the regional actors and the municipalities.

The new regional institutions had to change their role within a short period. Not much attention was paid to the necessary learning process. At the same time, there was a process of fusion between several counties with different planning cultures. Several major reforms in formal institutions, planning forms and planning cultures occurred at the same time. There was no voluntary transfer of policy involved. It was a massive coercive policy transfer. This transfer and change did not happen in practice right away, as shown in the case study. It took some time to change the informal institution in the region. The initial period of strategy-making became a long learning process for all actors and especially a difficult process for the regional authority which had to manage a less influential government role.

The National Municipal Association helped the municipalities to form the KKR. During the first election period, they trained the local politicians (in cooperation with researchers) to perform network governance and meta-governance in order to stand up to the regions in the power struggle. The same type of support was not there for the regions. Their Regional Association did not provide training or new ideas to help the regions learn network governance. In the process, the difference in governance competences between municipal and regional politicians and administrators became obvious. Both the region and KKR were involved in a research project for four years following the strategy-making process and presented different tools to cope with network governance and meta-governance. Therefore, they both obtained inspiration from the research field, but while the KKR in Zealand Region was part of a systematic learning process initiated by the National Municipal Association the regional authority had no such support.

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