

MANAGING ACROSS LEVELS OF GOVERNMENT

DENMARK

1. Institutions and authority

1.1 Structures

Description of levels

The Danish administrative system is a unitary one. The Danish Constitution establishes local self-government. The structure of sub-national government is based on a two-tier system: counties and municipalities, the municipalities belonging to one of the counties. However, the general rule is that the counties are not superior to the municipalities. They each have their own tasks. Regulations governing local government are laid down in the 1991 Local Government Act and are the same for all municipalities and counties apart from the municipality of Copenhagen.

The total area of Denmark is 43 100 square kilometres and the total population in 1994 was 5 206 000. There are currently a total of 14 counties and 275 municipalities. The municipalities of Copenhagen and Frederiksberg each have the dual status of municipality and county. Table 1 summarises the size distribution of these authorities in 1995.

Table 1. Area and population of sub-national governments (1995)

Number	Counties		Municipalities	
	14		275	
	Area (km ²)	Population	Area (km ²)	Population
Largest	6 173	605 868	564	471 300
Smallest	526	44 936	9	2 388
Number of municipalities and population distribution				
	Population size	Number of municipalities		
	0-1 000	0		
	1 000-5 000	18		
	5 000-10 000	119		
	10 000-50 000	122		
	50 000-100 000	12		
	over 100 000	4		

Source: Statistics Denmark, 1995.

Central government at sub-national levels

There are 14 offices of county prefects (*Statsamter*) which have the same geographical area as the counties. The prefect (*Statsamtmand*) is nominated by central government. The main tasks of the county prefect office are to make decisions concerning family law. It also acts as the secretariat for the county board of appeal which examines decisions made by local authorities on social questions. The board is chaired by the prefect, its two other members being appointed by the minister of social affairs after nomination by the local authority association.

Creation, elimination and restructuring

The ultimate authority for defining the boundaries of local authorities lies with the Parliament. Structural reform which took place in 1970 laid the basis of the present Danish local government system. The point of departure of that restructuring was to establish municipalities with a sufficient population base to handle a number of service tasks and to make them responsible for the financing of expenses through local taxation and central government subsidies.

A first guiding principle was that the municipalities should be responsible for primary school education and it was estimated that a population basis of 4 000-5 000 inhabitants was necessary to ensure a viable economic base for the running of a primary school. Similarly for counties, the guiding principle was the efficient running of hospitals.

Before the 1970 reform, Denmark was divided into 1 391 municipalities and 25 counties. After the reform, the number was reduced to the present 275 municipalities and 14 counties. The reform thus provided the necessary population in each municipality for bearing the costs of an administration based on a comprehensive transfer of tasks from the State to municipalities and counties.

Control bodies

According to the Danish Constitution, central government supervises the self-government of local authorities but today in practise general supervision is of a limited nature. Broad supervision of local authorities lies with the County Supervisory Committees which control the legality of acts of local authorities. There is such a corporate body in each county, the chairman being the county prefect and the other four members being elected by the county council from amongst its members. The Ministry of the Interior is the highest authority of supervision, and exercises controls over the County Supervisory Committees.

Professional auditing of all municipal and county authority accounts is a statutory requirement, carried out in most cases by an inter-municipal institution set up by the Local Government Association, the Local Government Auditing Department. The counties and municipalities are, however, allowed to use any authorised auditor.

1.2 Powers

Nature of sub-national institutions

County councils are directly elected for a four-year period. Anyone aged 18 including non-naturalised Danish citizens with a permanent residence in Denmark can vote. The county council must have a minimum of 13 members and a maximum of 31. It is chaired by the county mayor elected for four years by the council from among its members. Municipal councils and their chairman are elected in the same way as the county councils.

Each county and municipal council must appoint a Finance Committee of which the Mayor is the chairman. The Mayor is also head of the administration. Each council also appoints standing committees which usually have five or seven members, who must also be members of the council. The seats of a committee are distributed among political parties in proportion to the number of councillors represented. All the committees except the financial committee appoint their own chairman and are responsible within their area for direct administration, running activities and institutions and supervising planning.

The number of committees can vary among counties but generally speaking, there are committees of finance; education and culture; technical and environmental matters; social security and health; and for hospitals. They are responsible for the preparation and implementation of council decisions. They also make decisions on behalf of the council. The finance committee has extensive powers, its most important responsibility being the preparation of the draft budget. The finance committee is also responsible for the administration of staff. It also functions as a planning committee and as such co-ordinates local economic and physical planning.

The structure of the administration usually corresponds to the committee structure: a central administration under the direction of a county director and four sectoral administrations.

Municipal councils appoint standing committees. Although their structure may differ, most councils appoint such committees for social services, education, cultural affairs, and in the technical and environmental areas. Each committee is directly responsible for matters in its area.

The mayor is the leader of the administration and has ultimate responsibility for day-to-day management of the municipal authority. The chief executive officer acts as advisor to the finance committee and the council and is often also the chief personnel officer. The head of the other sectors of the administration are subordinate to the chief executive in matters of management but report to a committee and its chairman on substantive matters.

The biggest municipalities run a different system with five to seven aldermen proportionally elected by the council. The administration is managed by a corporate body, the Executive, comprising the mayor and the aldermen. It performs the functions which in smaller municipalities are the responsibility of the finance committee and each member of the executive carries out functions which in smaller municipalities are carried out by standing committees.

Type and degree of autonomy

County and municipal administration must be in accordance with legislation published by the Parliament (*Folketing*). According to the Constitution, municipalities have the right to manage their own affairs, under State supervision. Today general supervision is of a limited nature. Those affairs delegated by the *Folketing* are executed by county and municipal councils without interference from central government.

In practice, the distribution of public tasks between the State, counties and municipalities implies that decision-making responsibility is usually left to municipal and county councils. This makes it easier for citizens to participate in -- or influence -- the decisions made in their own area.

The municipal or county council may make decisions on any local matter, but in practice only decisions on important issues are made in the council. Some matters, however, must be decided by the council, especially the annual budget (including taxation), the annual accounts, the organisation and powers of the committees, the election of members of committees, the election of auditors, physical planning and agreements between local authorities for joint action.

The powers of the finance committee are expressly stated in the Local Government Act. The powers of the standing committees are set out in standing orders, although only in terms of areas of responsibility. In all municipal matters power under the Act rests with the council, but under Danish law there is no general limit to the delegation of powers. Any member of a committee may request that any matter dealt with by the committee should be put before the council.

In general, the Danish system of local government is very comprehensive, both as to the share of the overall public tasks carried out by municipalities, and the right of municipalities and counties to impose taxes and to determine their own levels of taxation and service. A very large share of Danish municipal expenditure is financed by municipal income. This limits the formal possibilities of central government to influence the overall level of taxation and of public expenditure.

The Local Government Act contains provisions governing the internal structure of local authorities and provisions regulating the activities and duties of the council, the committees (finance, standing and advisory) and the Mayor. It contains no provision regarding local government administration, as the council must be free to adapt its administration as circumstances may require. Special legislation contains some provisions which require the local authorities to set up specific bodies. The trend, however, is towards their abolition. The counties and municipalities themselves determine how their administration functions and their approach to tasks. Parliament can, however, regulate areas of expenditure and thus the way in which tasks are handled.

1.3 Responsibilities

Distribution of responsibilities

The principle of decentralisation which formed the basis of the redistribution of tasks in the 1970s was that tasks should be accomplished as close to the citizens as possible. As a result the distribution of tasks between the State, the counties and the municipalities implies that most functions which directly concern local citizens have been transferred to municipalities and counties. The two levels

of local government are co-ordinated -- each solving their own tasks. The division of tasks is defined through legislation.

County tasks include public transport across municipal boundaries, hospitals, secondary education and regional physical planning. They also decide some environmental issues.

Municipalities are responsible for a large number of public service tasks in the social, education, technical, environmental and cultural sectors. These include day care for children and services for the elderly such as special housing and old people's homes, meals-on-wheels, nurses and helpers in private homes. The municipalities administer various social benefits. They are also responsible for primary schools (7-16 years), cultural activities such as libraries and subsidies to sport clubs, as well as local roads, environmental protection, town planning, water supply, sewage, local industry and employment policy. They also administer the system of local income taxes.

Where functions are nation-wide in scope, and where the nature of the duty so requires, these stay with the State. These include foreign affairs, defence, police and overall communication. The central level also prepares new Bills, and develops regulations within the framework laid down by the Danish Parliament.

Mandatory, optional and shared responsibilities

The principle governing the distribution of tasks between Danish counties and municipalities is that the counties deal with tasks concerning a bigger population than present in most municipalities. Counties therefore have tasks delegated to them which require an administrative machinery which is not available in the average municipality. The general rule is that the counties are not superior to the municipalities, rather each has its own tasks.

2. Management functions

2.1 Policy-making and co-ordination

Coherence, consultation and conflict resolution

Central government (the Ministry of the Environment) is responsible for national planning, which includes the framework for regional planning. Regional plans are drawn up by county councils on the basis of proposals submitted by the individual municipal councils. Local governments, on the other hand, play an important role as co-ordinating links between the central authorities and the citizens.

The 1970 local government reform addressed ways of ensuring co-ordination between the State, the counties and the municipalities in line with the transfer of tasks from the State to lower levels. A system of sector plans was established whereby plans prepared for primary education, social tasks, the environment etc. should be sent to each Ministry concerned, which was then made responsible for ensuring co-ordination. The main objective of the plans was to give the central authorities information about decisions at the local level and thereby make it possible for the State to take its own initiatives if the general objectives were not fulfilled. This system was fully developed during the 1970s. It became apparent, however, that this planning system had its weaknesses. Much of the information transmitted to the State by the municipalities was not relevant to current political questions, the process was perceived as

too bureaucratic and focusing on an extension of public services when questions of restructuring and cost effectiveness were more relevant. This planning system was, therefore, abolished at the beginning of the 1980s. Instead, exchanges of information took place only when justified by a political interest.

The Association of County Councils in Denmark, and the National Association of Local Authorities in Denmark (the corresponding organisation for municipalities) are important bodies for co-operation with central government. All county and local authorities except the municipalities of Copenhagen and Frederiksberg are members. Legislation and other initiatives of importance to local government are not prepared without negotiations with these organisations. Central government policy control over matters of sub-national government (especially expenditure limits) are usually settled through agreement so that formal legislation is not needed.

Both of these organisations are governed by private law and are very important for co-operation with central government, particularly for matters concerning legislation and other initiatives of importance to sub-national government. Wages is the only area in which these organisations can conclude agreements which are legally binding on the local authorities. The Association of County Councils in Denmark can and does, however, conclude legally binding agreements with the Danish doctors organisation and also the Danish dentists organisation.

Inter-municipal activities and institutions are a fairly common feature. There are various structures: self-governing institutions, partnerships, limited companies and other private organisation forms. In principle, the formation of inter-municipal activities is voluntary, but in a few cases such co-operation may be compulsory, for example public transport, refuse collection and disposal.

Nation-wide inter-municipal activities are run by associations of local and county authorities. There is, for example, a local and regional authorities EDP-organisation, which co-ordinates matters concerning information technology.

Formal and informal mechanisms

Apart from the legislative regulation on minimum standards etc., there are no formal methods by which the State can control local authorities. The most important informal instrument is the annual agreements between the State and the local authorities, where agreements on the general grants are established.

2.2 Financial management

Sources of revenue

Danish local authorities are primarily financed through local taxes and general block grants. More than half of local government expenditure is financed by local taxes as shown in Table 2. Only a small fraction of the total local tax revenue is in the form of shared taxes, i.e. taxes raised by the central government of which the local authority receives a share.

Income tax covers more than 90 per cent of the total local tax revenue. There are no formal limits to the local income tax rate. Counties raised on average 10.54 per cent on taxable (assessed)

income and the municipalities raised on average 19.88 per cent in 1996. The range, in 1994, was from 13 per cent to more than 22 per cent.

Current revenue comprises many different items. All expenses for sewers and waste disposal is fully met by the users through specific payments. Several local authorities also supply water, district heating and electricity. In these instances costs are also covered by the users according to consumption. Parents pay partly for the costs for children attending nursery schools.

Danish municipalities finance a very large share of their expenditure by means of their own income. In 1994, 77.6 per cent of their gross expenditure was financed by revenue from taxation and other local sources. The State's share -- i.e. block grants and refundings -- constituted the other 22.4 per cent.

Table 2. Local government financing structure (1994)

(percentage)

	Counties	Copenhagen/ Frederiksberg	Municipalities	Overall	Overall (Dkr millions)
Taxes	62.2	50.3	53.5	55.2	147 709
Refunding	0.6	8.9	10.4	7.8	20 732
Operating revenues	17.1	25.5	22.1	21.3	56 995
General grants	18.6	12.2	11.8	13.6	36 259
Other means of financing	1.5	3.1	2.2	2.2	5 760
TOTAL: (percentage)	100.0	100.0	100.0	100.1	
(Dkr millions):	67 154	162 573	37 726		267 455

Source: Ministry of Finance: *Kommunal budgetoversigt* December 1995 (Overview of local government budgets).

Expenditure responsibilities

In 1993, after the redistribution of tasks and financial reforms, municipalities and counties dealt with approximately 50 per cent of total public expenditure in Denmark. The liberty to establish expenditure priorities is closely connected with responsibility for financing.

Tasks which are delegated by the State can be roughly grouped as follows: provision of services to the individual citizens; planning and running of schools, hospitals and social institutions; planning and running of public utilities and roads; controlling land-use and environmental monitoring; public transport. As shown in Table 3, the largest single expenditure item for municipalities is primary schools and the most significant change in the period 1990-94 has been the increase in social cash payments. In the counties, on the other hand, hospitals account for almost half of net current expenditure (see Table 4).

A substantial part of the legislation passed by Parliament, and many decisions made by the central administration, impact on local government activities, in particular on local government finance and spending. To protect the local authorities from additional spending obligations without accompanying financial support, an agreement has been reached between the National Association of Local Authorities (NALA) and the Government on a principle that the general grant should be adjusted annually to balance

the calculated effects on local government spending. This applies when the local government spending effects are due to parliamentary decisions. Thus, in principle, there is no justification for raising local taxes because of pressure from central government requirements. This "Principle of Compensation", which has been endorsed by Parliament, excludes external effects such as changes in demographic pressures on expenditure.

The ministries are obliged to negotiate with NALA on the expenditure effects of each legislative proposal and an agreement must be sought before the proposal is presented to Parliament or before administrative guidelines are implemented. A ministry placing additional spending requirements on local government is generally obliged to finance the resulting increase in the general grant by cutting its own expenditure. The adjustments are summed annually and the general grant adjusted according to this net sum.

Table 3. Distribution of municipal net current expenditure (1990, 1994)

(percentage)

	1990 ⁽¹⁾	1994 ⁽²⁾
Primary schools	23.0	21.2
Services to the elderly	20.3	19.5
Administration	15.8	14.7
Day institutions for children and young people	11.4	13.7
Social cash payments	8.8	13.4
Libraries, leisure-time education, etc.	5.0	5.2
Roads, environment, etc.	3.8	3.4
Other social expenditure	11.9	8.9
TOTAL	100.0	100.0

Sources: 1. *Local Government in the Nordic Countries: Facts and Figures*, Kommuneforlaget, 1991.
2. Statistics Denmark: *De kommunale regnskaber for 1994* (Balance sheets for the local authorities).

Table 4. Distribution of county net current expenditure (1994)

(percentage)

Hospitals	48.1
Health care	16.0
Education (high schools)	13.1
24-hour institutions for children and young people	4.3
Administration	5.1
Services for the handicapped	3.4
Public transportation	2.2
Roads, environment, etc.	2.1
Other social expenditure	5.7
TOTAL	100.0

Source: Statistics Denmark: *De kommunale regnskaber for 1994* (Balance sheets for the local authorities).

Balance between discretion and control

A predominant feature of public finances in Denmark over the last 25 years has been the switch from earmarked, selective, matching grants to non-matching general grants. There has been a successful effort to abolish all central government refunds (reimbursements) as a certain percentage of local government expenditure in connection with services and to maintain only those central government refunds on local government expenditure in connection with transfers to individual persons.

Financial reform has included a revision of how municipal and county tasks are financed. Before the reform, most municipal functions were financed by State refund of part of the municipal expenditure. After the reform, some of the refunding schemes concerning municipal services were replaced by general (block) grants. The reason for this change was to create a better interaction between municipal tasks and financial responsibility, as refunds tend to weaken this interaction. The transition to general grants meant that financially municipalities had more freedom to decide task priorities, and at the same time had more opportunity to plan municipal services according to local needs.

Together with the transformation of the grant system to non-matching grants the local authorities have achieved a high degree of freedom to set their own level of standard in the various fields of public service. Legislation contains only very few, if any, minimum requirements as to the content of local government service. Primary education is an example. There are variations in the number of weekly lessons each pupil receives although the legislation contains minimum requirements. Some local authorities favour comparatively small classes and a relatively low number of weekly lessons while other local authorities prefer larger classes, as this enables them to offer more lessons each week.

Tools to control spending and revenue-raising capacities

The Danish system of annual negotiations and agreements between the central government and local government associations has allowed the emergence of a broad consensus on the level of expenditure and taxes at the local level. Economic control is exercised through agreement between central government and the national associations of municipalities and counties concerning the rate of taxation and the level of expenditure by municipalities and counties.

The annual negotiations begin with a joint assessment of local government finances for the coming year, assuming no change in tax rates and a level of local activity similar to the previous year. This is the basic equation for the negotiations. Central government is expected to make finances available if there is a gap. Local governments have to accept cuts in the grants if there is a surplus in the local accounts.

When agreement is reached, the local government authorities are expected to support a joint recommendation to their members not to increase taxes or expenditure, depending on how the agreement is framed. The local government authorities can only accept the text of an agreement if they are reasonably sure that their members can, and will, follow the recommendation. Central government has, therefore, to make the offer sufficiently attractive to ensure that that is the case.

Negotiations offer an effective control over local expenditure as they are not only about grants and recommendations on taxes or expenditure ceilings but also include issues in the existing legislation, which local authorities find difficult to administer, or which prevent them from holding back on expenditure increases. The negotiations are conducted by the Ministry of Finance and Ministry of Interior

and result in many changes to rules and regulations which were constraining local authorities from using the most efficient means of providing services.

2.3 *Performance management*

Mechanisms

Many of the initiatives to promote performance are being developed at the local level and are not centrally monitored or controlled. In Denmark, as in other Nordic countries, local government have a high degree of electoral and financial accountability. For example the Danish legislation requires local authorities to publicise information concerning their budget. There is also a publication by the Ministry of the Interior of "Local Authority Key Data" which contains key figures on population, housing, labour market conditions, taxation, economy, child care, education and culture, care for the elderly, other social expenditure and the environment. The figures for each municipality are compared with the average figures for the municipalities in their county and for all municipalities. For the counties, the publication also includes health care.

Differences in the extent and quality of individual benefits inevitably occur between individual municipalities and counties -- within the standards and framework fixed by law. These differences reflect the varied needs and wishes in the local communities, and consequently the ability of the municipal and county councils to decide priorities on the basis of local conditions and demands.

Quality standards

Local authorities have been active in raising service standards through customer enquiry centres aimed at providing speedy, convenient and accurate information. Timeliness, accessibility and accuracy have been emphasised along with measuring customer satisfaction.

The Danish approach to performance measurement is based on evaluation of service quality as well as on efficiency and effectiveness. Decentralised government may be part of the explanation: the service providers are close to the clients and the quality of service becomes a more central issue in the provider-client relationship.

The initiatives taken involving service quality are diverse. They include service standards, service statements, client surveys, quality management and one stop shops. The initiatives are occurring at both central and local levels. Local governments make extensive use of goals and standards, emphasising client opinion surveys rather than formal performance indicators. National statistics on service standards, productivity and output levels are published by the Ministry of Local Government each year, and compare individual local authorities across a range of measures. These serve as a benchmark and a starting point for local decisions, rather than a judgement on relative levels of performance.

2.4 *Human resource management*

Statutory distinctions and managerial autonomy

Local councils have full responsibility for the government and administration of their municipalities and counties. This includes the freedom to determine their own administrative structures.

No State regulations apply to local authority personnel. Local authorities are, therefore, independent of central government and make their own decisions concerning their staff. Municipal and county councils and their finance committees in particular are responsible for the staffing of the authorities. Local employees (like national employees) are not appointed politically and they are not replaced after an election.

All local authorities have authorised their respective organisations to conclude binding agreements with their staff organisation concerning wages. Wages follow standards fixed centrally by the Local Government Salary Board, which consists of councillors appointed by the Minister of the Interior on the recommendation of the local government associations.

Table 5. Public sector employment by level of government (1990-1994)

(full-time equivalents)

	1990	1991	1992	1993	1994 ⁽¹⁾
State	188 605	182 375	180 095	178 854	182 422
Counties	127 308	126 188	123 975	123 799	123 932
Municipalities	305 974	306 596	315 928	320 663	311 529
Copenhagen and Frederiksberg	67 547	66 577	65 506	66 606	57 359
TOTAL	689 434	681 736	685 504	689 922	675 242

1. Due to changes in the guidelines for reporting employment figures to Statistics Denmark, figures for 1994 are not directly comparable to figures for 1993 and earlier.

Sources: Ministry of the Interior, *Det kommunale budget, 1996* (The local government budget) and Ministry of Finance, *Budgetredegørelse 1995* (Budget review).

Mobility: Staff mobility between levels of government is quite low in Denmark, and there is no formal co-operation on staff exchanges between levels of government.

3. Trends in redistributing authority across levels of government

3.1 *Evolving tendencies*

The Danish system of local government is laid down in the Danish Constitution which stipulates that “the right of local authorities to govern independently under the supervision of the State must be laid down by law”. The Constitution thus gives local authorities an important influence on affairs of local interest.

During the last 30 years, Denmark has gone through a period of very comprehensive reform of the entire local government system. This process included three reforms which are connected but which were undertaken in series as follows:

- restructuring;
- redistribution of tasks;

- financial reforms.

The restructuring reform was implemented, beginning in the 1960s, with voluntary amalgamations of very small municipalities into larger units. This prepared the ground for the important reforms of the 1970s. These aimed at a redistribution and an administrative decentralisation of tasks from the central level to the municipal and county levels. One of its basic principles is that of subsidiarity -- i.e. the decentralisation of powers towards the lowest acceptable level of administration.

Functions have been gradually transferred from the State to sub-national governments. This transfer has continued since the 1970 reforms, and includes other important reforms, such as those of social security in 1976-77 which transferred responsibility for the social security system to local authorities.

The 1970 reform provided the management and financial conditions for the transfer of tasks and responsibilities from State to municipalities and counties during the 1970s. Since then the decentralisation process has continued locally with the delegation of competencies to municipal institutions. This originally took place for financial reasons, especially the wish to pursue a tight expenditure policy by framework management of the institutional economy. It also established a connection between professional and financial responsibility. During the 1980s, it became common for municipalities to fix the financial framework, including freedom to decide priorities for municipal institutions.

The decentralisation efforts of the 1980s formed the basis for further devolution during the 1990s, when possibilities for improving municipal services by means of increased user influence and the preparation of service and quality objects were included.

Up to 1989 local governments were subject to formal regulation imposed by central government, but the efficiency and funding of the system was questionable. In 1989 a number of laws deregulated local government and since then the municipalities have used their new freedom to set up administrative reforms in different ways. Trends which can be distinguished include that about 100 municipalities have reduced the number of their council committees by at least one; and in many municipalities the work of the council has become more focused, so that politicians spend less time at committee meetings and more time establishing direct contacts with citizens. The need to concentrate more on formulating programmes in order to articulate objectives and standards for performance control rather than intervene in each individual case has also been recognised.

3.2 *The current debate*

During the last 10 years there has been a general debate on the modernisation of the public sector. Objectives concerning economic effectiveness and user's influence on public services have been accepted by the Danish Parliament. The law governing the municipalities was changed in 1995 in order to make all municipalities obliged to inform citizens about their services. There is general agreement, firstly that citizens should have more choice of public services and secondly that public procurement practices affect efficient management -- but less agreement on how these should be achieved.

There has also been a debate on the number of tiers of local government. In the late 80s the former conservative Prime Minister suggested abolishing the counties and strengthening the municipalities. This proposition has, however, not met with support in Parliament.

In April 1994 the Ministry of the Interior published a White Paper suggesting ways of improving innovation and effectiveness in local government. It included proposals on how to strengthen the exchange of information between the State and municipalities in specific fields and, through a dialogue, to formulate common general objectives.

3.3 *Driving forces*

Until 1970, a number of local State agencies were established, as deconcentrated administrations, partly due to the increasing difficulties of municipalities in handling major administrative problems. A still larger combination of hierarchical State agencies and local government agencies came into existence, resulting in a centralisation of the whole system. Due to the increasing number of social service functions to be provided during the 1950s and 1960s, demands for comprehensive local reform grew stronger. Many of these demands were due to an "overburdening" of the central bureaucracy with individual cases.

In the mid-60s the general objectives of decentralisation, which formed the basis of the 1970 reform, were widely accepted by the Danish Parliament (*Folketing*).

During the last 30 years changing governments -- both social democratic and conservative -- have respected the general objective to strengthen local authorities in order to ensure that public tasks are solved through a democratic process at the local level and as close to the citizens as possible.

Different governments have of course pursued different policies in different sectors. This is, for instance, the case with the amount of public services and the issue of diversity in service levels from one part of the country to another. In recent years there have also been different political attitudes to the question of public procurement. However, divergent policies of different governments are not seen in Denmark as a disagreement on the basic idea of decentralisation, but rather as a debate on concrete solutions in the public sector.