

Comparative study of local government arrangements in Finland, Sweden and Scotland: Incentives or obligations for partnerships?

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Many European nations have for decades resorted to collaborative service delivery, whether that is with contracted-out services, or genuine partnerships. Financial constraints in the public sector have been noted as one of the reasons. Particularly small local governments can find it difficult to achieve cost effectiveness as they cannot achieve economies of scale, which has been highlighted as an issue in Finnish municipalities. There is also an argument that other sectors might be better at delivering a service than the public sector: for instance, the third sector is often much closer to the service user and therefore is better placed both to plan and deliver a more responsive service. Often the benefits of collaboration are also cited as a rationale, where it is not necessarily just the influence of scarcer resources that leads to collaboration, but a genuine will to do so as the perceived benefits are so large. Regardless what the key rationale is for collaborating, the reality in the European public sectors is that finances are tighter and service user demands are ever increasing.

While the expansion in partnership working is an international phenomenon, the expansion particularly in the UK has been significant, having been heavily encouraged by the government, with the likes of public private partnerships (PPP) in the late 1980s and more recently with the English Local Strategic Partnerships (LSP) and the statutory Scottish Community Planning Partnerships (CPP) in the new millennium. Moreover, many voluntary based partnerships exist. Much of the scholarly literature on partnerships also originates in the UK. In this respect, the Finnish and Swedish regulatory policies of public service partnership experiments and models are not as well known and analysed compared with their British counterparts.

This paper presents a cross-national comparative study based on a review of the Finnish, Swedish and Scottish local government arrangements to establish the institutional framework for local public service partnerships. All three are Northern European welfare states, but their legislative approaches to public service partnerships are highly different. The aim is to review legal and administrative differences between Finland, Sweden and Scotland and explain the incentives and obligations that have been given to the respective local governments in a purpose to renew their service delivery systems in collaboration with local private and third sector organisations. The findings can result in mutual learning for local government policy makers in the countries. Cross-sector partnerships are common in Scotland as local authorities have an obligation to facilitate partnership working. Partnerships in Finland and Sweden are largely voluntary.