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The interrelated roles of the regional and local government in developing local partnerships in Italy

Abstract

Building partnerships is becoming an important issue at the local level of government in many countries. Different experiences can be traced throughout Europe, as well as in other OECD countries. This is because partnerships, especially in small local authorities, can help to manage services in a more efficient and effective way. Nevertheless, building a relationship is difficult, nor is it always successful, as many scholars emphasise. For a number of reasons, higher levels of government may then play a significant role in supporting partnerships between different stakeholders.

Given the shortage of empirical studies on this subject, this paper combines conceptual and empirical analysis, and is based upon:

- the direct observation of a number of partnerships in Italy, with particular reference to those Regions in which the birth and the development of partnerships have been positively influenced by the regional level of government;
- surveys of other partnerships which have been formalised in Italy;
- a literature review and the analysis of official documents.

The issues analysed in this article are the critical aspects of partnership building, and the role played by higher levels of government in activating or facilitating partnerships. It is in fact clear that higher levels of government may gain considerable benefit from the development of partnerships at the local level. Some consideration will also be given to institutional reforms in Italy, since a relevant part of the reform effort is meant to redesign the distribution of responsibilities between the different levels of government. Finally, the paper deals with comparative aspects, and investigates the existence of common patterns and trends in the different regional experiences examined.

Key words: local government, partnership, public services, multi-level governance.

1. Development and cooperation strategies of municipalities: an overview at national level

1.1. The development of partnerships in Italy

Italian public administration comprises four levels of government:

- a. Central government
- b. Regions
- c. Provinces
- d. Municipalities

During the last few years, the building of partnerships with other local authorities (from now on abbreviated to LAs) has become an important strategic opportunity for Italian municipalities, since these organisational form aims to create more effective governance models for public functions at local level, and to better satisfy public needs. This paper will look at the various reasons for this growing interest in partnerships. One factor is clearly that, for historical and cultural reasons, there is a high number of small municipalities - almost 6,000 have less than 5,000 inhabitants, and of these some 2,000 have a population of 1,000 units or less (see Table 1).

Table 1. Distribution of Italian municipalities by population

Size range of municipality (Number of inhabitants)	Number of municipalities	% of municipalities
< 1,000	1,958	24.1%
1,000-5,000	3,782	46.7%
5,000-10,000	1,242	15.3%
10,000-50,000	974	12.0%
50,000-100,000	101	1.2%
100,000-500,000	38	0.5%
> 500,000	6	0.1%
All municipalities	8,101	100.0%

Source: author's elaboration of 2007 national statistics

The sense of local identity of citizens is demonstrated by the take-up by LAs of provisions in the 1990 Local Government Act (Law 142), which for the first time allowed the creation of partnerships (see Table 2).

Nevertheless, during the 1990s a series of phenomena occurred which have deeply altered the frame of reference and encouraged small municipalities to cooperate:

- a greater number of functions have been assigned to LAs due to the devolution process, which started with the so-called Bassanini reforms;
- central financial contributions have constantly decreased, forcing LAs to apply higher taxes and prices;
- with a higher tax burden, inhabitants now pay more attention to the quality of services, to the efficiency and financial benefits of local public administration and, in general, to the overall accountability of LAs.

Table 2. The results of the 1990 Local Government Act

<p>Forms of partnership allowed Association (an aggregation of two or more neighbouring municipalities, prior to a merger). Merger (a new single local authority).</p> <p>Public support tools Significant financial incentives from the central government and the Regions.</p> <p>Results In ten years the overall number of municipalities increased slightly rather than decreased. There have been only 16 associations The mergers which were created are in fact irrelevant (very small number of units)</p>
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Source: own data collection

In particular, LAs have been given new areas of responsibility independently of their size, but small bodies can hardly afford to comply with the new provisions, especially when they suffer from financial and professional limitations. Consequently, small municipalities have recently become more aware of the need to build partnerships in order to establish a strategic and economically viable policy for service delivery. On the basis of this conditions the Italian Parliament took further action to develop aggregations between municipalities. The main innovations of the 1999 Act (Law 265) related both to forms of partnership and to the Regions' role.

With reference to the forms of partnership, the legislation:

- affirmed that the whole partnership process would focus on the voluntary action of LAs;
- removed any time-limit for such associations;
- offered a broader and more varied range of cooperation forms, giving municipalities the possibility to build flexible partnerships, regulated at local level. The LAs could choose the form best suited to their specific local needs.

As regards the Regions' role, the 1999 Act:

- introduced a policy offering wider powers of negotiation and more involvement of LAs in the drawing up of regional territorial plans;
- granted Regions the freedom to regulate and differentiate partnership forms, their strategy development process and their financial incentives in greater detail.

1.2. The main features of the partnership forms provided for in the 1999 Act

The partnership and cooperation forms envisaged under the 1999 Act can be divided in three main categories, according to the level of integration of their activities and decision-making processes:

- weaker solutions of a contractual nature, such as the drawing-up of agreements, joint programs, and conventions for the purpose of joint management. This category includes agreement protocols, conventions and programme agreements;

- mixed forms, which keep the identity of the individual bodies, but also establish “ad-hoc organs”, regulated by an inter-municipality entity. To this category belong entities for the joint management of functions, associations, and mountain communities;
- the strongest and most institutionalised form, in which the number of bodies is reduced by means of mergers.

This article focuses on the second category (see Table 3), i.e. on long-lasting and organised partnerships whose main aim is to provide services, requiring that the bodies undertake internal reorganisation and not mere contractual relations. Many local authorities are now involved in such partnership forms.

The innovations introduced by the 1999 Act have increased the willingness of LAs to build new partnerships, and to experiment with new ways of networking (see Table 4).

Table 3. Partnership Forms

<p>Joint management of functions by means of conventions (<i>Esercizio associato di funzioni</i>)</p> <p>This form does not give rise to a new local body.</p> <p>Its main aim is to achieve scale economies and integrate activities through two different methods, which can coexist in the same partnership: transfer of staff and/or delegation of functions to one of the authorities involved.</p> <p>In this joint form, local authorities maintain high autonomy (<i>vis-à-vis</i> the Region) in respect of their organisation and relations with other bodies.</p> <p>The Emilia-Romagna Region has developed this form further in the so-called Inter-municipal Partnership (<i>Associazione inter-comunale</i>), which has been for some years unique in Italy. The Friuli-Venezia Giulia Region decided in 2006, with Act 1, to invest on partnerships, and also gave a significant role to the Inter-municipal Partnership as an innovative kind of agreement, which must be established by municipalities bordering with each other, and aiming to introduce the highest possible integration.</p>
<p>Association (<i>Unione di comuni</i>)</p> <p>This is a new legally-recognised body with full capacity to undertake all delegated local government functions. It respects LAs' autonomy, since its organisation is not dictated by the legislation, but by political decisions made by the bodies themselves.</p> <p>An association has the power freely to regulate its own organisation, its execution of assigned functions and also financial relations between the municipalities involved.</p>
<p>Mountain Community (<i>Comunità montana</i>)</p> <p>A mountain community has the task of carrying out joint services and functions in the mountainous areas. Traditionally, such bodies simply implemented programmes and policies in a specified area. Occasionally, however, joint functions have genuinely been assigned to the mountain communities.</p>

Table 4. Basic data on partnerships

	<i>Intermunicipal partnerships</i>	<i>Associations</i>	<i>Mountain Communities</i>	<i>Total</i>	<i>Percentage of national data</i>
Number of organisations	53	286	373	712	
Number of municipalities involved	292	1,309	4,166	5,767	70.5%
Population covered	2,433,773	4,352,352	10,8 million	17,586,125	29.5%
Area covered (km ²)	13,239.88	32,525.14	156,110	203,875	67.6%

Source: own data collection

2. The attitude of regional governments towards partnerships

2.1 A model of analysis

The main limitations of small organisations lie in their structural and financial weaknesses and in their limited capacity to develop strategies and policies. This also means that typically LAs are not spontaneously willing to cooperate, unless other institutions take the lead. The bodies that are prepared to take this initiating role in partnership formation can be found at central, regional or local government levels. In this article, particular emphasis is given to Regions, which often bear the major responsibilities for the redefinition of tasks and responsibilities within their territories.

Following the 1999 Act and the 2001 reform of the constitution, every Region must define its methods for the partnership promotion, such as:

- identifying the most suitable dimensions for partnerships, depending on a number of factors (e.g. the geographical distribution of LAs, their homogeneity, room for economies of scope, etc.);
- defining appropriate incentives;
- marketing and effectively supporting partnerships.

Thus, the Regions do not play a supervisory role, but have the task of stimulating, facilitating and coordinating the cooperation and association processes. Regions can adopt many intervention methods, as shown in Table 5, which sets out the criteria to be followed when describing and investigating the behaviour of some tested Regions using some key variables.

Table 5. A model of the Regions' behaviour

Tools available to Regions	Specific issues which need to be considered
<i>Enforcement of regulations</i>	Existence of a regional law (after 1999) approving the redefinition of tasks and responsibilities of LAs ('territory reorganisation plan') and regulating forms of partnership LAs are involved in the definition of appropriate geographical areas for the delivery of services LAs can choose between a variety of partnership forms The Region has some regulation powers over the institutional and organisational structure of partnerships, including some methods for checking a partnership's structural adequacy
<i>Creation of incentives</i>	The Region can provide some incentives (such as contributions, transfers, tax relief, prioritisation of access to other contributions) and can decide target groups of beneficiaries Allocation of funds Phases of a partnership's life cycle in which incentives can be provided (e.g. feasibility studies, constitution of the partnership, etc.)
<i>Creation of support services</i>	Preparation of guidelines and standardised forms to help partnership start-up (constitution, contracts, etc.) Identification of techniques and methods for feasibility studies and cost-benefit analyses Setting up boards of advisors to work together with local partnerships
<i>Development of benchmarking and learning networks</i>	Regions can promote the development of partnerships by helping them to benchmark their performance and to disseminate best practices throughout the Region

2.2 Experiences at national level: steps taken by the Regions

We examine here how the Regions have dealt with the following issues:

- the coordination of their regulatory duties under the provisions of the 1999 Act, including the definition of forms of partnership, oversight of their establishment, and use of partnership promotion tools;
- the allocation of substantial financial resources for partnership promotion;
- the availability of other support and services (such as technical assistance and advice);
- using their experience of working with associations of local bodies.

The Regions with the greatest volume of partnership experiences so far are Piedmont, Lombardy, Veneto, Friuli-Venezia Giulia and Emilia-Romagna (Table 6).

Table 6. Partnerships in the Italian Regions

REGION	PARTNERSHIP FORM			TOTAL
	<i>Inter-municipal partnership</i>	<i>Associations of local authorities</i>	<i>Mountain Communities</i>	
PIEDMONT	–	48	48	96
LOMBARDY	–	56	30	86
EMILIA-ROMAGNA	19	12	18	49
VENETO	–	31	19	50
LAZIO	–	26	22	48
CAMPANIA	–	13	27	40
CALABRIA	–	9	25	34
SARDINIA	–	7	25	32
ABRUZZO	–	7	19	26
LIGURIA	–	–	19	19
MARCHE	–	13	13	26
<i>Self-governing Province of Bolzano</i>	–	–	8	8
<i>Self-governing Province of Trento</i>	–	2	11	13
TRENTINO-ALTO ADIGE (total)	–	2	19	21
TUSCANY	–	–	18	18
SICILY	–	26	15	41
BASILICATA	–	–	14	14
PUGLIA	–	20	5	25
MOLISE	–	11	10	21
FRIULI-VENEZIA GIULIA	34	4	10	48
UMBRIA	–	1	9	10
VALLE D'AOSTA	–	–	8	8
TOTAL	53	286	373	712

Source: own data collection

These Regions also report the biggest increase in partnerships since the introduction of Law 265 in 1999. While Lombardy, Piedmont and Veneto are the Italian Regions with the greatest number of municipalities, Emilia-Romagna is only in ninth place.

If we compare the basic features of the provisions adopted by these five Regions for the promotion of partnership forms, we find that:

- Only two out of the five Regions (Emilia-Romagna and Friuli Venezia Giulia) has a territory reorganisation law (“legge di riordino territoriale”). This law regulates the

institutional structure of partnerships in detail, but nevertheless grants a high level of autonomy to local bodies with regard to corporate governance issues (e.g. board membership and representation of minority interests). The other three Regions (Piedmont, Veneto and Lombardy) have a law that implements devolution and sets up incentive funds for joint management projects but it does not regulate partnership forms in detail.

- Three Regions (Emilia-Romagna, Friuli-Venezia Giulia and Lombardy) have insisted on close working relationships among the representatives of local bodies in relation to decisions on territory reorganisation issues, the permitted types of partnership and the amount of incentives and the rules for their allocation. Piedmont, on the other hand, has limited such cooperation to the allocation of funds.
- Apart from the innovative intermunicipal partnership approach fostered by the Emilia-Romagna and Friuli-Venezia Giulia, the range of partnership forms is practically the same across the five Regions.
- Almost all Regions provide for a standardised approach to the constitution of partnerships, their financial procedures (requests for funds, control of expenditure, partnership's financial powers) and their output measurement and evaluation.

There are also strong similarities in the nature of incentives offered (mainly financial contributions), in their main beneficiaries (local bodies until the partnership has been constituted and the partnership itself thereafter), and in the preferred types of partnership (i.e. associations).

On the other hand, there are also some very different experiences between the Regions (see Table 7):

Table 7. Regional incentives distributed for partnership promotion

REGION	DISTRIBUTED INCENTIVES	FINANCED PARTNERSHIP PHASE	DISTRIBUTION CRITERIA
EMILIA-ROMAGNA	2007: 2.78 million Euro 2006: 3.45 million Euro	Feasibility studies (contribution covering up to 70% of expenditure, VAT excluded) Extraordinary contribution for the start-up 5 year contribution for partnership management, decreasing starting from the 3 rd year	<u>Contribution for feasibility studies:</u> proportional to the number of municipalities involved; priority determined with reference to size of population involved' priority for mergers; distribution of contributions finalised to expand existing partnership forms <u>Initial contribution:</u> depends on partnership type and form <u>Management contribution:</u> depends on partnership function and type, with priority to the integration degree and population density greater contributions for associations and Mountain Communities; contribution is doubled for mergers the Region is recently changing its policy, and gives incentives to the inter-municipal partnerships which are transforming into associations
LOMBARDY	Data not available	Feasibility studies (contribution covering up to 50% of total expenditure, on condition that the dimensions of the partnership are above a minimum level, suitable to profit from scale economies) Management contribution up to 7 years	<u>Contribution for feasibility studies:</u> Proportional to the number of bodies involved <u>Management contribution:</u> Different amounts for associations and mergers Homogeneous parameters for fund distribution: - population density - number of municipalities involved - type and number of joint managed functions and

REGION	DISTRIBUTED INCENTIVES	FINANCED PARTNERSHIP PHASE	DISTRIBUTION CRITERIA
			<p>services</p> <ul style="list-style-type: none"> - presence of municipalities with less than 5,000 inhabitants - real need for extraordinary intervention for the creation of the partnership <p>Higher contributions for co-operations not deriving from previous joint management forms</p> <p>Functions and services admitted only if comprised in a regional list</p>
PIED-MONT	<p>2007: 8,658 million Euro</p> <p>2006: 8,896 million Euro</p>	<p>The Association is financed for 3 years.</p> <p>During the 2nd and 3rd year it gets 60% of 1st year grant</p>	<p><u>Contribution for start-up and management:</u></p> <ul style="list-style-type: none"> - Different and decreasing as to partnership type - Assigned on the basis of specific and finalised sector plans <p>Grants are distributed on the basis of:</p> <ul style="list-style-type: none"> - financial position of the LGs - population - number of municipalities involved <p>There is the condition that at least 3 functions be activated</p>
VENETO	<p>2007: 1,100 million Euro for associations and Mountain Communities</p> <p>2006: 1.425 million Euro for associations and Mountain Communities</p>	<p>Contribution to establish partnerships (covering 60% of management and start-up expenditure up to 1 million Euro)</p>	<p>The duration of the joint management shall be at least 5 years</p> <p>In case of funds shortage, priority is given to municipalities counting less than 5,000 inhabitants, and to functions comprised in a regional list</p> <p>No contribution is provided for municipalities which received funds in the previous 5 years</p>
FRIULI-VENEZIA GIULIA	Data not available	<p>Feasibility studies</p> <p>Extraordinary contribution for the start-up</p> <p>Management contribution</p>	<p><u>Contribution for start-up:</u></p> <p>Proportional to the number of bodies involved depends on partnership type and form</p> <p><u>Management contribution:</u></p> <p>depends on partnership function and type, with priority to the integration degree and population density</p>

- The total amount of the funds involved and the sums effectively allocated for the promotion of partnership forms differ widely between the Regions.
- The promotion of possible application areas. While the Emilia-Romagna Region provides financial contributions during different development phases of the partnership project (from the feasibility study to start-up and operations), in the other Regions funds are used only to finance the initial operating costs (and, indeed, the Veneto Region requires pay-back of funds if partnerships are dissolved prematurely, and does not distribute any funds, unless at least half of the funded activities are actually undertaken).
- The varied mixture of support mechanisms: in some Regions (e.g. Emilia-Romagna and Piedmont) these are highly coordinated and powerful, while in others (Lombardy

and Veneto) support is not directly provided by the Region but by third parties such as the Veneto section of ANCI (the National Association of Italian Municipalities). The role played by each Region in promoting local partnership while respecting different cultural and political position has determined a diversity framework, and thus makes it difficult to identify and diffuse best practices.

Concluding this paragraph, we can identify some elements that characterise the policies regarding the support to partnership:

- a) A discontinuous interest for partnerships. As in many other cases, this issue is perceived as relevant by many policy makers; but only occasionally does this judgement really lead to adequate investments and appropriate implementation efforts. This discontinuity has in fact been a major obstacle to the growth of co-operation strategies among municipalities.
- b) A plurality of criteria used both at the State and regional level to foster the partnership policy.

For instance a decision of recently appointed Public Administration Minister states that back office services should be managed in partnership. This initiative can be seen as positive, for it promotes partnership's development; on the other hand, it may limit the autonomy of each municipality in regard to which services should be managed in partnership.

3. The Emilia-Romagna experience

3.1 The partnership phenomenon in Emilia-Romagna

We can now give an insight to the Emilia-Romagna case, which is remarkable under two main aspects: on one side Emilia-Romagna was the first Region to support the development of partnership, on the other side it is currently trying to consolidate a collaborative approach between local bodies.

In this section we explore the case of partnerships in this Region, paying special attention to the following aspects:

- the number of partnerships and their relevance in local government;
- the main features of the partnership building process;
- the critical inter-institutional relationships;
- the effectiveness of the different implementation tools provided by the Region.

Our methodology has involved an extensive analysis of case studies of some partnership experiences, as well as interviewing board members and managers involved in the cases.

The Emilia-Romagna Region has an overall population of approximately 3.9 million inhabitants (6.8% of the national population). Economically, the Region is rich and dynamic, with high levels of innovation. Emilia-Romagna includes 341 municipalities, in 9 provinces; the majority of these municipalities are medium to small size. There are currently 49 partnerships.

Table 8. Population distribution of municipalities in Emilia-Romagna

Size range of municipality (Number of inhabitants)	Number of municipalities	% of municipalities
< 1,000	17	5.0%
1,000-5,000	149	43.7%
5,000-10,000	97	28.5%
10,000-50,000	65	19.1%
50,000-100,000	5	1.4%
100,000-500,000	8	2.4%
> 500,000	-	-
Total	341	100.0%

Source: author's elaboration of regional data

The most distinctive form of partnership in this Region is the inter-municipality partnership (IMP). This is not a separate local body, but a tool for inter-municipality co-operation, involving the integration of certain defined services and offices. The general responsibility for satisfying citizens' needs remains in the hands of each local authority. Each IMP is able to define its own institutional and organisational structure, as well as the financial relationships amongst its members, except for minimal legal requirements. This allows economy in service management to be combined with relative independence in service policies. These partnerships therefore exhibit the features of a structured convention with the creation of common offices.

Such partnerships tend to be adopted for administrative and political convenience and to reduce the impact of partnership working on the autonomy of the participating local authorities - governing bodies are appointed by the mayors of the municipalities involved, who can therefore maintain more control over their decisions and activities than might be the case under alternative partnership arrangements. Interviewed chairpersons and managers of inter-municipal partnership consider that this partnership form represents a great organisational training field for municipalities (in view of their possible transformation into associations).

The key features of IMPs are flexibility and modularity on the one hand (as agreements must be rewritten every year and therefore the political targets are regularly reset), and on the other hand their quickness and agility. This organisational form is therefore an optimal tool for organisational innovation. The lack of legal recognition, however, makes it necessary to formalise decisions through the city councils of the single municipalities involved, which quite often gives rise to muddled and redundant decision making processes.

The data we have gathered show that IMPs normally cover a greater area than do associations, and involve on average a greater number of bodies, sometimes with more than 10,000 inhabitants. This happens because the intermunicipal partnership embodies a form of co-operation which, given its less stringent regulations in comparison to associations, is suitable for bringing together bodies of different sizes, since small municipalities run a smaller risk of being strongly influenced by big cities. Given their basic features, the IMPs normally manage services which do not require a complex production structure (e.g. school transportation) or services with a high information content, where ICT can cover vast areas.

3.2 The role played by the Emilia-Romagna Region

There are some basic principles which the Emilia-Romagna Region has followed in its partnership promotion policies:

- the application of the subsidiarity principle, increasing the powers of the bodies located within the Region, and adopting the greatest possible integration of structures and services;
- increasing the quantity and quality of available services, taking advantage of scale economies and increased efficiency;
- the fostering of real operational support to the partnerships;
- respect for the organisational autonomy of the IMPs;
- restricting financial support to organised forms of co-operation, seen to be key to administrative reorganisation in the Region.

In order to put these principles into practice, the Region has taken the following steps:

1. approval of a law allowing a broad range of partnership forms, but at the same time leaving a high level of autonomy to the bodies involved, as to the governance and organisation of partnerships;
2. definition of a programme for redistributing tasks and responsibilities, based on the strong involvement of LAs;
3. at a later date, allocation of financial incentives, which could be distributed as the integration between partners grew further;
4. creation of a Regional support team (*Nucleo regionale di supporto alle forme associative*), a body in which politicians and managers can meet and talk, so as to co-ordinate the whole system;
5. provision of technical support for local authorities by consultants;
6. organisation of communication initiatives.
7. development of a WEB site giving information about partnerships and best practices.

Regional laws, together with the awareness-raising activities undertaken by the Region itself, can generate a significant stimulus to the development of partnerships, especially in fields culturally sympathetic to co-operation. Incentives are mainly directed at the start-up phase; they recognise that the decision to enter a long-term agreement is very expensive during the creation phase and that such partnerships are likely to produce few visible results in the short run (e.g. within one mayor's period of office). Consequently, large initial contributions are typically allocated to finance partnership start-ups, with further financial support for the first five years, although decreasing after the second year.

Financial support comes in two ways:

- direct incentives;
- a formal undertaking by the Region to give partnerships priority access to any other financial programme in which the Region has a role.

Funds are actually paid only to those partnerships which can demonstrate effective integration and joint management and delivery of services.

A Regional Committee for Partnership Development, made up of the chairmen of all partnerships, has been created in order to foster a cooperative culture, monitor ongoing experiences, and consolidate the communication between the Region and LAs. It has a

consultative role and also supports the regional government in defining partnership development policies. Moreover, it improves interaction with the Region's operational support staff.

The Region provides technical assistance in relation to IMP decisions and the drawing up of agreements and it also helps in carrying out the resulting administrative tasks. Furthermore, its operational staff provide a free advisory service for the LAs at two key stages, in order to get round the structural lack of planning capacity of the smaller bodies:

- the start-up phase, when a number of legal, administrative, financial and managerial aspects have to be dealt with. Two or three meetings between the partner administrations and the technical staff are generally necessary to provide adequate legal and organisational advice;
- the implementation phase, disseminating best practice, usually in seminars where partnerships can learn from each others' experience.

The operational staff consists of professionals operating within the Region, together with a network of experts and managers from the partnerships. This represents an attempt to capitalise on the experience within the Region, providing a structured service and an important link between the Region and the LAs. As expected, the larger bodies with substantial internal competences make little use of this support. While acknowledging their importance, only a few partnerships are actually being supported by the Regional staff. Furthermore, some stakeholders doubt the functionality of the support provided by regional staff, since sometimes the operational staff consultants seem to pay more attention to the formal and legal aspects, rather than to the essence of the complex and interconnected organisation processes, which underlie the implementation of joint management.

Finally, the WEB has been particularly important in easing inter-organisational communication and best practice dissemination. One of the major hindrances to adopting the partnership approach, especially for small municipalities, is the lack of information about the features of each organisational form and how to implement such new approaches. The Internet has provided this information for those municipalities which have decided to start or broaden their partnership experience. The home page of the partnership (www.regione.emilia-romagna.it/gestioni_associate/) gives free access to a database containing information on the joint management functions and services adopted by a range of partnerships and a guide to all forms of partnership. Furthermore, it contains a guide to the creation of partnerships, illustrating all the procedures and local council ordinances necessary to start the process and to submit a funding request. In addition, it offers a legal advisory service and an information window highlighting best practice examples from existing projects (e.g. in relation to service improvements or more efficient management patterns developed in partnerships).

3.3 Outcomes and open issues

The following positive results from the Emilia-Romagna experience are worth emphasising:

- the fast increase in the number of joint-management partnerships, and the broadening of functions which are managed by them;
- the opportunity for many small bodies to enlarge the range of services offered to their inhabitants, while maintaining a high degree of customisation;
- the attainment of an economically viable size for the production of services, which leads to a better use of financial resources;
- the sharing and development of technology, capital equipment, know-how, development and skilled human resources ;
- the possibility of creating synergies for better management across areas;
- the increasing willingness of many local bodies to enter a partnership;
- the development of an learning process amongst the organisations involved in partnerships, generating a greater awareness of each organisation's critical strengths and weaknesses and possible corrective measures.

However some problems have also emerged, which cannot be ignored:

- the continuing tendency of most municipalities to desire strong autonomy;
- the difficulty of defining a system of checks and balances, so as to accommodate the needs and interests of the different communities involved in a partnership;
- the lack of both organisational competences and adequate professional skills within many bodies involved, increasing the natural resistance to change.

In summary, the Emilia-Romagna Region has achieved good results from its new approach to multi-level governance. This view is widely shared by many public managers, who underline that the opportunity offered by the regional legislation (together with the removal of some constraints imposed by national legislation), financial incentives, and the support given by the Region to promote the partnership have represented significant stimulating factors. It must also be noted that a strong desire and an initial boost to co-operation also came from below, i.e. from the municipalities.

In particular, the Region was able to:

- identify and satisfy the long-term needs of municipalities, and of the whole regional area;
- build a strategy for the development of LAs;
- develop innovative relations with local organisations, supporting dialogue and participation and stimulating the spread of a culture of co-operation;
- provide opportunities and tools, without imposing regionally planned solutions.

Local administrators believe the Region has done pretty well during the initial phase, when partnerships had to be built and put in place. However, the consolidation phase of this experiment is now happening, with a broad diffusion of partnerships in the whole country, and the role of the Region must therefore change. It should now mainly focus on:

- the introduction of differential criteria for allocating financial incentives, which should aim to reward those partnerships that have reached the highest integration level and which represent examples of best practice;
- the development of benchmarking initiatives to trigger emulation of (and competitive improvements upon) organisational innovation;
- the promotion of brainstorming initiatives on specific and topical issues.

4. Partnerships and the most recent institutional reforms

The 2008 Budget Law requires Regions to reduce the number of Mountain Communities, as well as the number of appointed administrators and their allowances, so to decrease current expenditure. According to the proposals already presented by the Regions, the number of Mountain Communities should shrink from the current 373 to 238.

This happened after these Communities underwent a great deal of criticism, due to the misuse of this kind of instrument (e.g. some Mountain Communities were established with municipalities at sea level, only to allow them to get grants and subsidies). More generally, notwithstanding some positive examples, Mountain Communities have not proven to be efficient, nor are they effective policy makers.

Due to the decentralisation process, the role of the Regions became stronger, as well as the role of the Municipalities, which are in direct contact with the citizens and provide services to them. In this context the strategic and managerial role of Provinces is losing significance, despite the constant increase of their number, especially where the phenomenon of partnership is growing.

The debate on provinces is becoming a hot argument because the responsibilities assigned to them are losing their relevance; nevertheless, it would be difficult to remove a level of government on which the Italian Republic has been built. The reasons for this are manifold: on one side thousands of people, both at the clerical and executive level, are employed in provinces, and would probably resist major changes. Moreover, many social organizations, such as trade unions, professional groups, chambers of commerce, as well as some branches of the Central government, are organised at provincial level: as a consequence the Province plays a significant role in the territorial network. In addition provinces act sometimes at the regional level as advocates of smaller Municipalities, which makes that some of those see Provinces as useful institutions, helping in negotiations with Regions.

Some Regions, in effect, tend to use their power to take decisions without really involving local bodies. A sort of neo-centralism then emerges, while a participatory approach would instead be more adequate to the collaboration among different level of government, as required by federalism and subsidiarity. It cannot be forgotten, anyway, that the abolition of provinces would require a constitutional reform, and consequently a qualified majority in both Houses of Parliament.

In order to consider together the issues of partnerships and provinces, it should be observed that the guidelines of most recent reforms are the following:

- a) balance between the principle of the unity of the State and the differentiation of function at different levels;
- b) simplification of government levels;
- c) efficiency of the system.

As a consequence, in order to assure a better efficiency of the public system, it would be sound to work on both issues, fostering partnerships on one side and trying to reduce the number of government levels on the other.

5. Conclusion

The development of partnerships is currently an important strategic tool for local organisations. Environmental dynamics, the new institutional scenario and the introduction of the subsidiarity principle have all strengthened commitment to the concept of local self-government. Consequently, the basic criteria underlying the relations between the various levels of government are also changing, and are now based upon cooperative principles rather than distinguishing areas of formal responsibility.

While the case of the Emilia-Romagna Region appears, within the national context, as by far one of the most advanced examples of interinstitutional cooperation between regional and local government, there is still some 'stickiness' in the dialogue between the various parties involved. At the same time, some of the mechanisms adopted are only partially suitable for ensuring real involvement and participation by local governments in the decision-making processes.

An examination of the partnership experiences so far reveals that there are a number of conditions relevant to the success and the stability of these projects - and the achievement of these conditions depends upon the actions of the individual local organisations, although they can, of course, be aided by the Regions. The empirical analysis shows that the main conditions favouring development and long lasting partnerships between municipalities are:

- a firm political determination;
- a high level of coherence in the partnership structure;
- the existence of leading roles and agreed upon strategic choices;
- an administrative culture directed towards innovation;
- adequate information and communication technologies;
- the use of gradual processes;
- a corporate governance allowing to give a voice to different stakeholders, without reducing the effectiveness and the speed of the decision process;
- an electoral system giving citizens the possibility to choose the partnership's board members;
- favourable environmental conditions;
- an active role of the Regional government.

In particular, Regions can have an important role in the definition of appropriate geographical areas for the delivery of services, mainly based on the similarity of geomorphological, economical and social features of the organisations concerned. Regions can also help by defining a governance pattern aimed at favouring mutual adjustment between the interests of the different stakeholders; they can also promote actions directed at strengthening mutual confidence between the partners.

Finally, Regions can usefully evaluate whether the partnership contains the necessary basic elements (the right organisations, appropriate forms of agreement, functional partnership procedures) and facilitate the integration processes. Moreover, the empirical evidence shows that in some cases partnerships have developed spontaneously, mainly bottom up, whereas in other cases they seem to be the result of the interaction between the Region and local organisations as a part of attempts to implement administrative decentralisation.

Finally, it can be useful to address following important questions:

- What are the common features of methods of regional intervention?
- What role have the Regions assumed in partnership processes?
- What are the most effective instruments for the pursuit of their aims?
- Do Regions use different intervention models?
- Is it possible to identify best practices?

As far as the first two questions are concerned, this study has shown that Regions have displayed very different attitudes, along a continuum ranging from the simple (and sometimes late) absorption of national regulatory requirements, to the organisation of a great number of prescriptive tools, co-financing, real support and advice, and diffusion of best practices. The positioning on this continuum depends mainly on two characteristics of each Region:

- a political view which is favourably disposed to the subsidiarity principle or strongly supportive of delegation and central co-ordination;
- institutional maturity and sensitivity to issues of delegation (giving rise, therefore, to a life cycle in the supporting role played by the Region).

How effective are specific intervention tools? In Table 9 we argue (based on a model which we developed in a number of Regions) that this depends on the willingness of municipalities to develop partnerships.

Table 9. Effectiveness of regional intervention tools

Intervention tool	Effect of the tools on municipalities less sensitive to partnership development	Effect of the tools on municipalities more sensitive to partnership development
<i>Approval of a regional law</i>	Limited influence on municipality attitude	Simple activation of more innovative municipalities
<i>Formulation of detailed directives on single partnership forms</i>	Seems to be a further hindrance	Can limit the innovation capacity of the bodies
<i>Allocation of funds</i>	Attractive for municipalities with financial problems; could induce a narrow outlook	Is an element of evaluation in the choice of the partnership form; tends to lead to a traditional multi-level relationship model
<i>Provision of advice and support services</i>	Represents a real benefit and does not require any significant planning capacity	Speeds up the aggregation process. Favours the development of strategic plans. Helps to elaborate solutions for critical issues.
<i>Development of relationships and benchmarking networks</i>	Represents further stimulus and generates an imitation effect	Tends to spread innovation and best practices

In the phase of promotion and development of partnership innovations, it is clearly very important for the Regions to play an active role and to push LAs to get involved with this opportunity. Frequently, the creation of aggregated entities and the results they achieve seem to be strongly influenced by the capacity (at either regional or municipal level) to provide the bodies with real and significant benefits.

In the subsequent consolidation phase of partnerships, it might be more advisable to assign a reduced role to Regions, although they can usefully continue to support initiatives promoted by other institutions, in particular by LAs. There is empirical evidence of diverging intervention models being used in practice – and in the near future these could become even more differentiated, because of the ongoing process of making Italy a federal state.

In one model of intervention, Regions play a coordinating role in the process, which can either follow a top-down or a bottom-up approach, while a second model relies more

on the autonomous initiative of LAs. It will only be possible to judge the relative success of these two models after some years, on the basis of structured data on results achieved (number of partnerships, their stability, effective integration, service quality, inhabitant satisfaction, financial performance, etc.).

Finally, it is difficult to answer the question on best practices. The case study highlights Emilia-Romagna as good practice, in the sense that this Region ensures municipalities enjoy a number of appropriate conditions for the success and the stability of partnership working. Nevertheless, even in this case it is difficult to demonstrate that the Region has had a direct and precise impact on the number and the success of associations, due to the fact that the experiences are still quite recent and that many other factors also have an impact on the success of partnerships.

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Internet Sites

Institution or project	Location	URL
<i>Emilia-Romagna Region</i>	Bologna	http://www.regione.emilia-romagna.it
<i>Lombardy Region</i>	Milan	http://www.regione.lombardia.it
<i>Piedmont Region</i>	Turin	http://www.regione.piemonte.it
<i>Veneto Region</i>	Venice	http://www.regione.veneto.it
<i>ANCI, Regional Association of Municipalities</i>	Milan	http://www.anci.lombardia.it
<i>ANCI, Regional Association of Municipalities</i>	Venice	http://www.anci.veneto.it
<i>Emilia-Romagna Region, WEB site for partnerships</i>	Bologna	http://www.regione.emilia-romagna.it/gestioni_associate
<i>Ministero degli Interni</i>	Rome	http://www.mininterno.it

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