

## Summary

This report is divided into three parts. The first part describes the Norwegian system of generalist municipalities. The historical development of the system is briefly explained, and a model of how the system is structured is presented. This model is also the framework for the Committee's analysis and structuring of the report.

Part two concerns how the generalist municipalities currently operate, and what developments and needs in society will affect the generalist municipalities. The Committee also provides its assessments of the current situation.

Part three concerns possible measures to solve the challenges in the current system of generalist municipalities. The Committee accounts for and discusses the alternative to the current system, which is differentiated responsibilities. The Committee also elaborates on and discusses measures within the current system, such as changes to prerequisites and contextual conditions for the municipalities. The Committee presents its conclusions and recommendations in Chapter 14.

## Background for the Committee's work

Today's municipalities have a broad and comprehensive portfolio of tasks, and the volume of tasks and responsibilities of the municipalities has increased in step with the development of the welfare state. The municipalities are responsible for a large number of tasks and complex and competence-intensive services. Regardless of characteristics such as population size, geography or economy, all municipalities have the same responsibilities. At the same time, the municipal sector faces major challenges in the coming years. Our elderly population is increasing in number, while the proportion of working age people is decreasing, and the growth in revenue in the National Budget is expected to slow down. Demographic changes have affected today's municipalities in recent decades, and will continue to affect the resources and contextual conditions for the municipalities in the decades to come. In addition, there are a number of global and national development trends that both influence and will impose direct and indirect limits on the municipalities' prerequisites and frameworks.

The Committee shall assess whether there is a basis for maintaining a system of generalist municipalities where the municipalities have the same responsibilities in the future, as well, and assess alternatives to the current system.

## The system of generalist municipalities

In *Chapter 3* the Committee presents its understanding of the system of generalist municipalities. The municipalities play a very important role in the welfare state and provide key services to citizens. Each municipality is a separate legal entity and can make decisions on its own initiative and responsibility. Municipal self-government entails that the municipalities have decision-making authority over local affairs. Restrictions on self-government must be pursuant to law. Local self-government is based on the values of participation, efficiency and freedom.

A brief overview of the historical development of the municipal system is provided. The municipalities have not always had equal status and equal responsibilities. For a long time, the system consisted of urban and rural municipalities, which had different status and

responsibilities. Alongside these municipalities, there were also municipal administrative units, known as *special municipalities*, which had the task of fulfilling specific administrative tasks such as the schools and welfare agency.

The municipalities have four basic main tasks or roles. The municipalities are responsible for providing key services to citizens. They also have an important role in local community development and spatial planning. In addition, they have major public authority tasks. Last but not least, they are a key component of Norwegian democracy.

The Committee presents a model for the Committee's understanding of the system of generalist municipalities. The Committee applies the following understanding of the key terms *generalist municipality*, *system of generalist municipalities* and the *principle of generalist municipalities*:

- A *generalist municipality* is a separate legal entity where the municipal council is responsible for managing a wide range of public tasks within its territory.
- *The principle of generalist municipalities* entails that all municipalities have the same legal status and the same responsibilities for statutory tasks, regardless of population size, settlement structure, economy or other characteristics.
- *The system of generalist municipalities* is a unified national governance system for generalist municipalities based on the principle of generalist municipalities.

The model the Committee presents in Chapter 3 shows how a number of prerequisites and contextual conditions affect how the system of generalist municipalities works, and the ability of the generalist municipalities to fulfil the responsibility for their tasks. In addition to how the framework conditions affect the municipalities, there are several more general development trends that also affect the municipalities. Demographic development, climate and environmental challenges and national economic development are development trends and challenges that can have far-reaching consequences for both State and municipal activities in the years ahead.

*Chapter 4* accounts for the prerequisites and contextual conditions that form the basis for how the system of generalist municipalities and the municipalities function. These include geography and municipal structure, which tasks have been assigned to the municipalities, municipal finances, the relationship between the State and the municipality, and between the county authority and the municipality, as well as inter-municipal cooperation.

*Municipal structure, population size in a municipality, and geography* – both area and location – are important prerequisites that affect municipal management. There are major differences between the municipalities in terms of population size. There are many small municipalities in Norway, and the population is scattered. Norway has 356 municipalities. 49 per cent of the municipalities have fewer than 5,000 citizens, and 7.3 per cent of the population reside in these 174 municipalities. Seven out of 10 citizens reside in the 64 municipalities that have more than 20,000 citizens.

Norway is one of Europe's least densely populated countries. Statistics Norway's Centrality Index divides the municipalities into six categories, based on the distance between citizens and workplaces and between citizens and services. There is a strong co-variation between a municipality's population size and a municipality's centrality classification. There are 163 municipalities that are classified as small and peripheral, which makes up 46 per cent of the municipalities, and 6.7 per cent of Norway's population reside in these municipalities. In Northern Norway, small and peripheral municipalities make up 85 per cent of the municipalities, and 39 per cent of the population reside in these municipalities.

Compared to other European countries, Norway and the other Nordic countries are highly decentralised states, where the municipalities are responsible for a very *broad and comprehensive portfolio of tasks*. This includes responsibility for services to citizens throughout the entire life cycle and responsibility for local community development.

*How the State governs* determines the frameworks for the municipalities. State governance has increased in step with the municipalities being assigned additional tasks and greater responsibility. Governance has also become more detailed, and determines how the municipalities are to manage their tasks. This affects the local local discretion.

*The municipalities' local government revenue* is distributed to the municipalities through the general-purpose grants scheme for municipalities. The overall objective of the general-purpose grants scheme for municipalities is to even out the municipalities' economic conditions, so that conditions are created for an equal provision of services to citizens, nationwide. This does not mean that all municipalities shall have the same revenue, but that all municipalities shall have the prerequisites to provide citizens with equal services.

The municipalities have considerable discretion to choose whether to manage their tasks in their own operating organisation, through *inter-municipal cooperation or by procuring services* or cooperation with private or voluntary actors. The municipalities can also cooperate with the county authorities and the State. The municipalities engage in considerable inter-municipal cooperation, and the scope thereof has increased. Cooperation is expedient and, in many cases, necessary. Cooperation allows for expansion of managerial capacity and increasing professional specialisation. At the same time, there are also disadvantages associated with inter-municipal cooperation, related to, among other things, political and administrative governance. There is also a certain vulnerability in the system when municipalities are dependent on other municipalities being willing to partner in order to manage tasks.

## **How does the system of generalist municipalities work?**

The Committee has examined how the system of generalist municipalities works by assessing how the municipalities fulfil their four main tasks or roles. This is the basis for the Committee's assessment of the current system of generalist municipalities.

Local self-government entails that the services offered by the municipalities to citizens may vary. Variation in the provision of services between municipalities may be an expression of different priorities, adapted to different needs and wants in the municipalities. At the same time, the current system is based on the principle of generalist municipalities, which entails that all municipalities have the same responsibilities for statutory tasks. Full compliance with current statutory requirements is mandatory for all municipalities. In order to assess how the system of generalist municipalities works, the Committee has chosen to examine the extent to which the municipalities meet the statutory requirements in various areas. Such a broad assessment of statutory compliance across several areas and sectors has not previously been carried out. The Committee has supplemented the assessment of statutory compliance with other existing assessments, which contribute to the understanding of how the system of generalist municipalities works. The findings are provided in *Chapter 5*.

The assessment of statutory compliance shows an overall average statutory compliance of just over 80 per cent. There is considerable variation between the municipalities, and no municipality satisfies all the statutory requirements.

It is also an important finding that it is challenging to assess whether the municipalities meet the requirements stipulated in acts and regulations. Statutory compliance is currently insufficiently assessed in continual statistics and reporting. It can also be challenging to operationalise what is needed to fulfil statutory requirements.

The analyses show that there is a clear connection between a municipality's population size and centrality and overall statutory compliance. Large municipalities and municipalities that are centrally located fulfil statutory requirements to a greater extent than municipalities that are smaller and less centrally located. The Committee has reviewed a number of other studies which confirm this finding. Small and peripheral municipalities generally have greater challenges in more areas than larger and more central municipalities. Finances only compensate to a limited extent for the challenges associated with size and centrality. The Committee also notes the considerable variation within the group of small and peripheral municipalities, which suggests that some municipalities handle challenges related to centrality and size better than others. The Committee believes that good governance and management may be an important factor in this regard.

The assessment of overall statutory compliance is missing figures for 94 municipalities. These 94 municipalities have significantly smaller population sizes, lower population growth and are located less centrally than the 262 municipalities included in the assessment. 59 of these municipalities have fewer than 5,000 citizens, and 66 of the municipalities are categorised at centrality level 5 or 6. Therefore, it is not unlikely that the identified statistical correlations could have been even stronger if they had been included in the basis for the total indicator.

Statutory compliance was assessed within three of the municipalities' four roles. The Committee has not assessed statutory compliance in relation to the municipality's role as a democratic actor, largely because there is no suitable source data. The Committee finds that voter turnout is high compared to other countries. About half of citizens believe there are good opportunities to influence municipal decisions that concern them. Voter turnout in parliamentary elections and local elections is somewhat greater in smaller municipalities than in larger municipalities. Half of citizens believe that those with good personal connections in the municipality can better safeguard their interests. Thus, there is a widespread perception of differential treatment in the municipalities.

Studies show that municipal discretion is what matters most to local politicians in their assessment of whether they want to stand for re-election. Tight municipal finances and detailed state governance are highlighted as the most limiting factors for local local discretion. The motivation to sit on the municipal council increases the larger the municipality. Almost half of elected representatives believe that it is the administration and not the politicians who design policy.

The highest degree of statutory compliance is for the municipality's requirements as a service provider, with an 88 per cent average statutory compliance. There is also the least variation between the municipalities in terms of statutory compliance for this role. For this role, there is a clear statistical correlation between statutory compliance and population size, in that the statutory requirements are to a greater extent satisfied the more citizens the municipality has.

The municipality, as an executive authority, has an average statutory compliance of 83 per cent, and there is considerable variation between the municipalities. For this role, there is a clear statistical correlation between statutory compliance and centrality and financial

discretion. Municipalities with a central location and considerable financial discretion fulfil statutory requirements to a higher degree than municipalities that are less centrally located and have less financial discretion.

The municipality as a community developer has the lowest degree of average statutory compliance at 64 per cent, and there is considerable difference between the municipalities. For this role, there is a clear statistical correlation with centrality and population size. Large municipalities and municipalities that are centrally located fulfil statutory requirements to a higher degree than municipalities that are less centrally located, and municipalities with fewer citizens.

The assessment of statutory compliance shows that there are clear differences between different parts of the country. The degree of statutory compliance is highest in Oslo and municipalities in Viken and Rogaland, and lowest in municipalities in Nordland, Troms and Finnmark. The Committee wishes to note that most citizens of Northern Norway reside in municipalities with good municipal and welfare services, but the number of small and peripheral municipalities means that the counties, as a whole, come out worse in many assessments. The challenges are greatest for peripheral island municipalities in Nordland and municipalities in Finnmark, with considerable distance challenges, and the challenges are intensified by an arctic climate where municipalities are at times cut off from neighbouring municipalities.

The Committee has also included the results from the Municipal Barometer and the Municipal Index, two surveys which assess and rank how the municipalities fulfil their tasks. These also show that there is considerable variation between municipalities that are similar in size or location, but there is a clear trend that small and peripheral municipalities are consistently ranked lower.

The scope of inter-municipal cooperation has increased in recent decades. Inter-municipal cooperation and the procurement of services is an appropriate and necessary part of the municipalities' task solution. There is little cooperation in the area of planning, which is the area where the municipalities have the lowest statutory compliance in the assessment carried out by the Committee.

The assessment of statutory compliance shows that Norwegian municipalities have the greatest challenges in fulfilling statutory tasks that require specialised and interdisciplinary professional communities, such as tasks in the areas of planning, substance abuse and mental health. The county governors and the municipalities confirm that these are challenging tasks for many municipalities. Legal and planning competence are the two areas that the county governors note as being particularly deficient.

A lack of attractive professional communities is highlighted by the county governors as a reason for inadequate statutory compliance. Among other things, it appears to be challenging for small and peripheral municipalities to secure and retain competence, due to recruitment challenges, frequent turnover and low continuity. For municipalities with few citizens, it is challenging to establish a professional environment, and municipalities that are unable to offer full-time positions often have difficulties finding qualified applicants.

Comments the Committee has received during the work confirm that small and peripheral municipalities have challenges in solving all their tasks. Several have clearly stated that it is very challenging for a small municipality to fulfil all the requirements and expectations set at the State level.

## **Increasing pressure on the system of generalist municipalities**

In *Chapter 6* the Committee provides an account of some of the most important development trends in society that affect the municipalities' prerequisites and frameworks for being generalist municipalities, now and in the future.

Challenges related to demographics, financial discretion, skills shortages and other societal challenges will affect the entire public sector and all municipalities. Today's municipalities have very different prerequisites for handling these challenges, which will intensify in the future, as a result of the same challenges. In the future, population growth will continue to primarily occur in the large and central municipalities. Statistics Norway's projections estimate that the population decline will continue in around 40 per cent of the municipalities. The number of citizens over the age of 80 will more than double by 2050, from 238,000 today to 627,000 in 2050.

In all municipalities, the ratio between elderly persons and persons of working age will change and result in a need for challenging adjustments. This will be very challenging for municipalities which at the same time are experiencing population decline, a decrease in the number of working age citizens and an increase in the number of elderly residents in need of municipal health and care services.

Other challenges, such as climate change, greater requirements for civil protection and emergency preparedness and pressure on democracy will also affect all municipalities, but will in many cases require increased capacity and competence, to which small, rural municipalities have less access.

In order to solve both statutory and other tasks going forward, and to be able to drive the development of the municipality in the desired direction, access to relevant competence and sufficient capacity is a necessary prerequisite. Small and peripheral municipalities face greater challenges today than other municipalities in fulfilling statutory requirements. The demographic development will affect small municipalities to a greater extent than large municipalities in terms of prerequisites for providing services and local community development. In addition, the municipalities face major societal challenges that must be solved locally or in collaboration with other actors. This requires that the municipalities also have development capacity internally within the organisation.

In *Chapter 7* the Committee makes its assessments of the current situation and how developments will lead to increasing pressure on the system of generalist municipalities.

The Committee believes that it will become more challenging for all municipalities, but especially small, rural municipalities, to fulfil the same responsibilities if there are greater differences in the municipalities' prerequisites for doing so. The Committee believes it should be noted that it is important for small, rural municipalities to work on community development. However, at the same time, they will have the greatest challenges in fulfilling the requirements for regional and spatial planning.

The Committee believes it is a problem that particularly small and peripheral municipalities have challenges in fulfilling statutory requirements. When the municipalities have challenges in solving their tasks, this entails, among other things, that citizens do not receive the services to which they are entitled, and the municipalities will have a reduced ability to function in the best interests of the citizens, the local community and the business sector.

The lack of access to competence and capacity is the main reason for inadequate fulfilment of task responsibility. In particular, this applies to competence for solving highly specialised tasks, as well as tasks that require interdisciplinary efforts. There is also a lack of capacity to

manage the development of services and community development, as well as executive authority.

The Committee believes that the current situation will become more challenging in the future. The municipalities and Norwegian society are facing challenging societal changes, such as demographic changes, tighter public finances, the climate and environmental crisis and increased needs for civil protection and emergency preparedness. Citizens have high expectations, and the State makes increasingly strict demands on how tasks are to be solved. At the same time, it will become more challenging to access competence and labour, nationwide. The Health Personnel Commission has painted a clear and serious picture of the situation in the health and care sector, if the necessary measures are not implemented.

In the Committee's opinion, inter-municipal cooperation is appropriate and essential. The system of generalist municipalities would not function without inter-municipal cooperation. At the same time, there are certain disadvantages associated with inter-municipal cooperation compared to solving tasks within the framework of a municipality. The disadvantages are related to both governance and operation. Municipalities that want and need cooperation are dependent on municipalities wanting to cooperate with them, and there is a certain vulnerability in the system if municipalities, often larger municipalities with capacity and competence, no longer wish to cooperate with less resourceful municipalities.

Tighter national economic frameworks could affect allocations to the municipal sector, and in combination with population decline and an increased need for care services due to the growing elderly population, this will increase the pressure on many municipalities.

The Committee believes that the system of generalist municipalities is under increasing pressure. This is mainly due to the fact that it becomes more challenging for all municipalities to fulfil the same responsibilities when the differences between the municipalities' prerequisites become greater. The Committee believes that the main challenge in today's system of generalist municipalities is that particularly small and peripheral municipalities have challenges in fulfilling statutory requirements. At the same time, many small municipalities are experiencing population decline, an increasing proportion of elderly persons, fewer persons of working age and a lack of competence. Therefore, there is reason to believe that the prerequisites for small rural municipalities to fulfil the statutory task responsibilities may gradually deteriorate, particularly for statutory tasks that require specialised and interdisciplinary professional communities. This puts pressure on the principle of generalist municipalities on which the current system is based; that all municipalities have the same responsibilities.

## **Measures to solve the challenges in the system of generalist municipalities**

The Committee has assessed the alternative to the system of generalist municipalities, differentiated responsibilities, and discussed the advantages and disadvantages thereof compared to the current system. In addition, the Committee has chosen to account for and assess measures within the current system, which can contribute to solving challenges identified by the Committee.

In *chapters 9–13* the measures are discussed in five main categories: differentiated responsibilities (Chapter 9), larger municipalities (Chapter 10), inter-municipal cooperation (Chapter 11), changes to state governance (Chapter 12) and transfer of tasks (Chapter 13). In *Chapter 14* the Committee draws its conclusions about which measures should be

implemented to solve the challenges. The chapter summarises the most important arguments in favour of the recommended measures.

The Committee believes that the societal challenges and needs going forward will put such great pressure on the municipalities that it is necessary to implement measures to ensure that all municipalities can remain generalist municipalities in the future, as well.

All the measures will, in various ways, contribute to solving the challenges of a lack of professional communities, specialist competence and development capacity. The measures are not mutually exclusive, and the Committee believes there is a need for multiple measures, and that all the recommendations should be followed up further. There may also be various measures that are more suitable than others, in different parts of the country.

The Committee believes that the current system of generalist municipalities, which is built on the principle of generalist municipalities, is a good system that should be retained.

Differentiated responsibilities entails that municipalities or county authorities have different responsibilities for one or more tasks. Differentiated responsibilities in the form of small and peripheral municipalities being relieved of tasks that are transferred to another municipality, county authority or the State can remedy the challenges these municipalities have in terms of inadequate capacity and sufficient competence. In the Committee's assessment, this can contribute to solving the challenge of inadequate capacity and competence. At the same time, differentiated responsibilities deviates from the principle of generalist municipalities and thus the system of generalist municipalities.

Differentiated responsibilities, whereby larger municipalities are given more tasks, can be beneficial, among other things, in that the operation of services in large municipalities can be improved if they are given a wider set of tasks and they can view services in a broader context.

Although the Committee believes that differentiated responsibilities can contribute to solving the challenges for some of today's municipalities, this is not a solution the Committee would recommend. The Committee believes the disadvantages of municipalities having different responsibilities are too great. The Committee believes differentiated responsibility could jeopardise democratic accountability. A departure from the principles of equal democratic rights for citizens and democratic accountability is therefore the main reason why differentiated responsibilities is not a solution the Committee would recommend. The Committee believes it is better to implement other measures within the framework of the current system of generalist municipalities, which will also contribute to solving challenges uncovered by the Committee.

The Committee has assessed whether it may still be appropriate to consider differentiated responsibilities where task responsibility is transferred from the municipality to the county authority or the State, but only limited to certain areas where there are large distances and difficulties related to inter-municipal cooperation or mergers of municipalities. This will be a special exception to the current system of generalist municipalities in order to accommodate special challenges. The Committee finds that, among other things, inter-municipal cooperation is a better and more proven solution.

Larger municipalities will strengthen the system of generalist municipalities in that it will be easier to secure the necessary professional communities and thus increase the likelihood of fulfilling statutory requirements. Larger municipalities will not change the principle of generalist municipalities that all municipalities have equal responsibilities and equal legal status.



Larger municipalities will strengthen the basis for generalist municipalities with broad task responsibilities and democratic governance. The municipalities will have better prerequisites for fulfilling their statutory tasks through a larger professional environment and thus a better basis for recruitment. Larger municipalities with greater administrative capacity will strengthen democratic governance because there will be better capacity to investigate the basis for political decisions, especially within the community development role. Larger municipalities will also reduce some of the need for inter-municipal cooperation, and will be able to facilitate less strict detailed governance on the part of the State. A majority of the Committee believes that an actively policy of creating larger municipalities should be pursued. The majority believes that larger municipalities is the measure that will uphold the principle of generalist municipalities in the best possible manner and strengthen the generalist municipalities. A minority believes that larger municipalities is one of several measures which, equally to the other proposed measures, can contribute to upholding the principle of generalist municipalities and strengthening the generalist municipalities.

The Committee views inter-municipal cooperation as an appropriate and necessary part of the system of generalist municipalities. Within the category of increased focus on inter-municipal cooperation, the Committee believes that there is a need for more guidance on inter-municipal cooperation, and that there should be predictable financial instruments available to support the investigation and start-up of inter-municipal cooperation, if the purpose is to produce more cohesive and long-term inter-municipal cooperation within fixed constellations. The Committee points to the advantages of cooperation in several task areas with fixed cooperation partners, and believes that a cooperation model or organisational structure particularly adapted to long-term cooperation in several task areas should be introduced.

The Committee believes that the municipalities should cooperate more in the area of planning.

The Committee does not propose a general legal authority in the Local Government Act to impose cooperation between municipalities.

Within the category changes to state governance, the Committee discusses reduced state governance of the municipalities. The Committee believes that detailed state governance should be reduced. Detailed state governance reduces discretion for all municipalities, and reduces the possibility of prioritisation based on local needs and political desires. The Committee notes that there exists no overview of all the municipalities' responsibilities and tasks, and believes that such an overview should be prepared.

The Committee recommends that the State take a more active role in facilitating in order for all municipalities to be able to fulfil their tasks. Guidance, dialogue and assistance that is adapted to the municipalities' needs and prerequisites can, among other things, be a common data and knowledge base that all municipalities can use, and guidance on what discretion the municipalities have within the legislation.

The Committee discusses the investigation of a special follow-up scheme for municipalities that have considerable and persistent challenges, which entail that the due process of the municipality's citizens and basic services are not adequately safeguarded. A majority of the Committee believes that such a special follow-up scheme for municipalities with considerable and persistent challenges should be investigate in greater detail. A minority believes that such a scheme would represent too great a state intervention in municipal self-government.

In terms of task distribution, the Committee discusses the transfer of tasks from all municipalities. The Committee discusses some task areas, including areas that require specialised and interdisciplinary competence, and areas that require major investments in operating facilities and so forth. Moving such tasks from the municipalities may facilitate the

establishment of a larger professional environment and gather resources in larger entities. At the same time, this will lead to services being organised further away from citizens, and it will narrow the municipalities' portfolio of tasks and thus reduce the municipal council's opportunities to prioritise across service areas and tasks, and take overall responsibility for its citizens. Because the challenges with the current system are primarily greatest in small and peripheral municipalities, the Committee believes that transferring tasks away from all municipalities will not be an adequate measure. The Committee therefore does not recommend moving task responsibility away from all municipalities to the county authorities or the State.

## **The Committee's recommendations**

The Committee recommends that the principle of generalist municipalities be continued.

The Committee will therefore not recommend differentiated responsibilities as a measure to solve the challenges facing today's municipalities.

The Committee also does not recommend moving task responsibility away from all municipalities to the county authorities or the State.

*The Committee believes that there is a need to take several measures to solve the challenges in the current system of generalist municipalities:*

1. The Committee's majority believes that larger municipalities is the measure that will best uphold the principle of generalist municipalities and strengthen the generalist municipalities. The Committee's majority believes that larger municipalities will in the vast majority of cases contribute to solving the challenges of lack of capacity and competence.
  - The Committee's majority believes that an active policy to achieve larger municipalities, with available instruments that support local initiatives and negotiations must be pursued.
  - The Committee's majority recommends that existing instruments to encourage and facilitate local mergers, and contribute to a future-oriented municipal structure, be continued and strengthened.
  - The Committee's majority recommends that the economic incentives be evaluated, with the aim of uncovering weaknesses and areas of improvement in the schemes.
  - The Committee's majority recommends a review of other instruments that can strengthen governance and management of municipal mergers, and facilitate good local processes. The review should involve an evaluation of the Local Government Boundaries Act, and a more unambiguous and uniform follow-up on the part of the county governor should be considered.
  - The Committee's minority, Committee members Schade and Kvinlaug, do not support the position that larger municipalities are the measure that best upholds the principle of generalist municipalities, strengthens the generalist municipalities and solves the challenge involving lack of capacity and competence.
2. The Committee believes that an active policy for inter-municipal cooperation should be pursued.

- The Committee believes there is a need for more guidance related to inter-municipal cooperation.
  - The Committee believes there is a need for more comprehensive and long-term inter-municipal cooperation in fixed constellations. The Committee recommends that a cooperation model particularly adapted to such cooperation be introduced in the Local Government Act.
  - The Committee believes that many municipalities should in particular cooperate to a greater extent in the area of planning, for example through the establishment of inter-municipal planning offices.
  - The Committee believes there is a need for more guidance on inter-municipal cooperation, and that there should be predictable financial instruments available to support the investigation and start-up of inter-municipal cooperation, if the purpose is to provide more cohesive and long-term inter-municipal cooperation within fixed constellations.
  - The Committee believes that mandatory inter-municipal cooperation may be a solution in special areas, regulated in relevant special statutes. The Committee does not recommend that a general legal authority to impose cooperation be introduced in the Local Government Act. However, the Committee believes that an order concerning cooperation could be a possible element in a special follow-up scheme for municipalities with comprehensive challenges.
3. The Committee believes that detailed state governance should be reduced. Detailed state governance reduces discretion for all municipalities, and reduces the possibility of prioritisation based on local needs and political desires.
- The Committee believes that local discretion is necessary to be able to adapt the provision of services and tasks to local conditions, and to develop innovative solutions to the challenges facing the municipalities.
  - The Committee believes that quantified staffing standards are most often unsuitable management tools.
  - Requirements for special processes and reporting requirements must be limited to what is strictly necessary.
  - The Committee proposes that an overview of all legislative and regulatory requirements for the municipalities be prepared.
  - The Committee notes that state governance is necessary to safeguard national interests and to secure rights for the citizens of the municipalities. A reduction in the requirements placed on the municipalities must not reduce the municipalities' responsibilities for safeguarding citizens' rights and providing proper services, as well as safeguarding national interests, such as nature and the environment, biodiversity and public outdoor recreation.
  - The Committee recommends that the statutory principle of proportionality be clearly incorporated into the State's instructions, guidelines and guidance for state governance of municipalities and county authorities.
4. The Committee recommends that the State take a more active role in facilitating in order for all municipalities to be able to fulfil their tasks.

- Such facilitation may include assisting the municipalities with knowledge and competence through the provision of data and knowledge bases that are easily accessible, and collaborating with the municipalities on measures to achieve common objectives, such as a national digital infrastructure.
  - The Committee believes that the municipalities' different needs and different prerequisites must be identified and better taken into account in the governance of the municipalities. This applies both in the investigation and design of new legislative and regulatory requirements, and in other governance, guidance, dialogue and cooperation.
5. The Committee's majority believes that a special follow-up scheme for municipalities with considerable and persistent challenges should be investigated in greater detail.
    - The Committee's minority, Committee members Schade and Kvinlaug, believe that such a scheme would represent too great a state intervention in municipal self-government.
  6. The Committee believes that adequate and predictable frameworks and a redistributive revenue system are crucial for maintaining the system of generalist municipalities in the future, as well.
  7. The Committee believes that the guidance role of the county authority should be clarified, and that more practical assistance should be provided to the municipalities in their planning, where the municipalities lack capacity and competence.
  8. The Committee believes that the main responsibility for facilitating community development and spatial planning should lie with the municipalities. The county authorities' regional plans should to a greater extent be based on municipal plans.
  9. The Committee believes that further work must be done on training and guidance to strengthen the intentions of the Local Government Act and the framework conditions for good governance and management.
  10. The Committee believes that efforts for innovation, restructuring, digitisation and collaboration with the voluntary sector, business sector and other local forces should be strengthened.
  11. The Committee believes it is important to have good housing, education, business and rural policies that facilitate settlement, competence building and value creation, nationwide.
  12. The Committee believes it is particularly important that the State has a special focus on the most peripheral and vulnerable municipalities in Northern Norway.