UCLG Committee on Social Inclusion, Participatory Democracy and Human Rights

Inclusive Cities Observatory

Malmö/Lund, Sweden
The variable geometry of participation
in VA SYD water services[1]

Name of the policy: VA SYD's structure and operating policies

Start date: Company founded in 2008, although original start-up in 1994
Completion date: Ongoing

CONTEXT

GOVERNMENTAL CONTEXT

City and national context

VA SYD (an acronym for 'Southern Water') is a public agency that deals with water and wastewater systems and waste collection and disposal services in southwestern Sweden. VA SYD's area of intervention is the Region of Skåne, which contains two large cities: Malmö (286,500 hab.) and Lund (75,000 hab.). Skåne is one of the few regions in Sweden with water

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[1] The **Inclusive Cities Observatory** is a space for analysis and reflection on local social inclusion policies. It contains over sixty case studies on innovative policies for community development, access to basic services, gender equality, environmental protection and the eradication of poverty, among others. The initiative has been developed with the scientific support of Prof. Yves Cabannes from the University College of London (15 case studies) and a team of researchers from the Centre for Social Studies (CES) at the University of Coimbra, which has worked under the supervision of Prof. Boaventura de Sousa Santos (50 study cases). This Observatory aims to identify and investigate successful experiences that might inspire other cities to design and implement their own social inclusion policies.

The **Inclusive Cities Observatory** has been created by the Committee on Social Inclusion, Participatory Democracy and Human Rights of UCLG. United Cities and Local Governments (UCLG) is the global platform that represents and defends the interests of local governments before the international community and works to give cities more political influence on global governance. The **Committee on Social Inclusion, Participatory Democracy and Human Rights** aims to contribute to building a common voice for the cities of UCLG in the areas of social inclusion, participatory democracy and human rights. It also aims to guide local governments in designing these policies and to that end, fosters political debates, the exchange of experiences and peer learning among cities around the world.

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provision difficulties.

Governmental decentralization context

Sweden has a constitutional monarchy with a one-chamber parliament (*Riksdagen*), a county administration that mainly takes care of the health system (with examining, supervising, and co-ordinating functions in other sectors), and a municipal government level. There is no hierarchical relation between municipalities, counties, and regions since all are self-governing local authorities with responsibility for different activities. Local authorities have three main sources of revenue: local income tax, income from services (2/3 of municipal income), and state grants (about 18% of total municipal income), and thus have substantial autonomy.

The current Local Government Act (1992) defines the roles of Sweden's 290 municipalities, which are responsible for areas like planning, construction, and operating facilities for water and wastewater. Over the past 50 years, responsibility for several other core public services, such as social care and elementary schools, has been shifted from the central state to municipalities.

Water supply and sanitation, including storm water management, are central tasks of local governments. Municipalities own the facilities (assets) and are responsible for running them and determining fees. According to a 2000 survey, 252 municipalities organized these services as a municipal department, in 39 they were managed through a municipally owned company, in 8 they were organised in inter-municipal companies co-operating over municipal borders and owned by the participating municipalities, and 7 had a management contract with a nongovernmental company (SWWA 2000). Since this survey, the number of inter-municipal public companies has risen since scale-based savings and innovations in the sector are often not feasible within a single municipality.

Institutional level of policy development: Intercommunal (inter-municipal public service agency)

Water governance and costs in Sweden

The water governance system in Sweden involves an articulated range of different institutions and a complex legal framework. The legal framework for water services in Sweden does not allow for large profit margins, and there is a low level of competition between water and wastewater service companies and municipal departments. A brief enthusiasm for service privatisation disappeared by the end of the 1990s. Based on long traditions and a firm non-profit legislation, the Swedish water governance model relies on public ownership and control of water and wastewater utilities, which has proven to be both economically and ecologically efficient, with high quality plants and pipe networks and an increasingly professional staff.

The Water Act states that beyond the provision of water and wastewater services by municipal governments, consumers also have duties to financially contribute to the cost of services, that is, to cover the cost of connections between the general distribution public systems and the individually served building. Respecting these principles, each local authority decides the level of fees customers must pay to be connected to water and wastewater services. In general, rates for water supply and sanitation have been fairly stable over the past 25 years.

COMPREHENSIVE NARRATIVE

Description of the policy

VA SYD was formed on 1 January 2008 in Malmö as a statutory joint authority to promote trans-municipal cooperation in order to make water and wastewater services operate more efficiently and increase quality levels through scale-based innovations, restructuring the organisation of service provision, and developing the skills of its personnel. While doing so, VA SYD has tried to create a specific and successful 'style of governance' which could dialogue with the society and the territory, merging several tools of external and internal social dialogue (involving workers and customers at the same time). Rather than operating through a 'concentrated participatory structure' requiring specific arenas (i.e., spaces and/or moments devoted to participatory practices) to foster dialogue, VA SYD has operationalised a 'diffuse model of social dialogue' that takes the form of a 'management style' that reproduces itself at different levels of the organisation.

Background / Origins

VA SYD embodies a history of 'resistance' to a wave of commodification of public services and facilities that Sweden witnessed in the early 1990s. Its importance in the national panorama today is pivotal: it tackled the will to privatise the service through creatively restructuring and 'scaling-up' a public department which – thanks to a large range of measures of social dialogue – proved to be efficient and effective.

In 1994, the City of Malmö published a tender to the private sector to modernise the water supply and sewer management services. The Water Municipal Department of Malmö participated to demonstrate that the cost/benefit advantages of private alternatives could also be offered by more efficiently reorganising the public structure. After a long evaluation process (coinciding with the 1995 local elections campaign), the Department's bid received second place ranking among the seven competing consortia (all major European-based enterprises coming from other countries). The new political majority of Malmö (led by the former socialist opposition) decided that this was a concrete opportunity to stop the 'selling-out' of public services to private foreign investors. The pivotal goal became rethinking the organisation of the City Water Department on a larger scale of service provision through actively involving all the employees who could act as the Department's 'historic memory'. Trade unions, especially those representing municipal employees without higher diplomas, also played an important role in this shift, providing a platform for a participatory, common battle to demonstrate the potential efficiency of a restructured public entity and to strongly fight against the prospect of outsourcing.

The new company was called VA-Verket Malmö ('Water Agency of Malmö') and became VA SYD in 2008 when the City of Lund joined it. At present, it is operating to expand its influence elsewhere in the Skåne region[2] through building a 'variable geometry of relations' with other smaller cities, and maintaining a strong dialogue with society and workers.

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[2] VA SYD's own quality-assured drinking water is complemented with a quantity purchased by another non-profit, interlinked public company, Sydvatten. VA SYD also treats sewage from Malmö, Lund, Burlöv, Vellinge, and parts of Lomma, Staffanstorp, and Svedala, and manages the collection and disposal of domestic waste in the Skåne region's main city (Malmö) and in Burlöv.

Policy objectives

The motto 'Innovate management methods through scaling-up' oriented the initial years of the reorganisation (after 1994), gradually renovating the delivery of basic environmental services through shifts in the size and internal governance of the new managing agency.

When VA SYD was created in 2008, it put in place a governance framework based on three main pillars:

1. Flexibility in the decision-making architecture, so to respect the variability of political institutions running the different municipalities which could adhere to VA SYD;

2. The capacity of internal management to create a positive working environment, limiting the 'verticality' of decision-making, aiming to valorise the horizontal coordination of tasks, and increasing a sense of ownership and belonging for all employees.

3. Establishing a set of fluid collaborative and proactive relations with the 'customer base' and the City territories where the company operates, including special attention to involve them in democratising overall decision-making through incorporating users' perspectives and the special needs of some social groups.

These goals formed part of an overall strategy of public service delivery forged around a main vision of 'resisting' privatisation and outsourcing of public facilities.

Chronological development and implementation of the practice:

Since 1995, the growing company that provided a foundation for VA SYD was conceived as a 'hybrid structure' delivering a broad range of services (supply of drinking water, sewage treatment, and/or waste disposal) to the municipalities of Malmö and Lund, and focusing on developing techniques and processes that can 'contribute to a more sustainable society'.

The *Kommunforbund* – a joint authority model that acts in Sweden as a partnership of municipalities towards developing together some specific and clearly defined functions – was a main source of inspiration for the new *hybrid company* to be created. To address the 'metropolitan dilemma' that often opposes the major cities and the minor partners in metropolitan area services, the motto 'unity and independence' guided the shaping of the new company. The common budget is based on 'separate economies' for each partner City. VA SYD governance structures aim to foster the coexistence of clear common goals while guaranteeing autonomy (for example, on the issue of tariffs and asset ownership) for the different partner Cities that have delegated their service management to it. In order to lower potential risks of tensions between politicians and management, VA SYD established a cooperation structure between a technical Board (which runs the structure, evaluates proposals from the member cities, works on detailing their feasibility, and presents them to a joint steering committee of politicians for final decisions) and a political Assembly. This constructive cooperation relies on mutual respect, and each group avoids invading the other's field of responsibility. It also avoids the impression of VA SYD existing in the kind of 'territorial limbo' that many private management structures produce.

This open governance model is conceived as a welcoming structure for ongoing enrichments, not only in terms of partner cities, but also relating to the policy sectors devolved to the company. For example, Lund has not delegated the domestic waste collection to VA SYD, while Malmö considers this delegation an important added value.

Prior to the formal creation of VA SYD in 2008, specific attention was driven to generate a 'horizontally managed structure' that could increase workers' feelings of ownership and belonging, and demystify the central role usually played by upper management levels. Thus, the general organigram included 'open spaces', specific participatory moments which are central in the daily life of VA SYD. Highly symbolic moments were delegated to internal contests, such as the choice of the company name (2007); and series of training/participatory of seminars were used to set the main guiding principles of the company (2008) and to choose the new headquarters location. Even the architectural arrangement of common spaces has been at the centre of open discussion among employees, with the aim to create the best positive working environment for everybody and to multiply the informal spaces for gathering and discussion between workers and managers.

In parallel, strategies arose to offer to customers a wide range of user-friendly services and tools not only linked to a New Public Management style of work, but also to a vision which considers the relations with territories as 'central' to the democratisation of service provision. The first participatory spaces opened were the Focus Group on Special Needs and the 'Reference Group on Billing'.

Agents involved

According to the complex architecture of the 'social dialogue' policy inaugurated by VA SYD since its formal creation, the social actors involved are varied and stratified. 'Internal dialogue' actions focus mainly on employees (including managers of different sectors, departments, and units) while the customer relation structure – including tools such as a 'Reference Group on Billing', an annual publication of simplified summaries of policy and financial documents, and initiatives with local schools and youth associations – targets the 500,000 citizens in the areas covered by the service. Special attention is dedicated to vulnerable groups such as 'disability holders' through a Focus Group on Special Needs. For the immigrant population, the main documents are translated into various languages and a step-by-step general policy tries to include representatives of foreign communities in the human resources of VA SYD to act as 'reference subjects' within the company structure. No specific measures are devoted to economically vulnerable groups because they are addressed by other municipal and state social policies.

Beneficiaries

The VA SYD strategy of 'social dialogue' aims to involve two complementary types of beneficiaries. The first type comprises those who are integral to the internal structure (e.g., appointed politicians, managers, and other employees) to create a positive working environment, reduce possible conflicts around responsibilities, and enhance the efficiency of the managing structure. The second type comprises the customers, who benefit from a fluid communication structure with the service provider and can be involved in some pivotal phases of decision-making for public policies set by VA SYD.

In the end, the VA SYD management style targets the entire population of covered service, trying to develop an idea of 'centrality of society' in planning services and reaching sustainability, efficiency, and efficacy in company choices.

Participation processes implemented

Unlike other countries, Sweden has always given importance to citizens' dialogue and consultation moments, for example, within the urban planning system. Hence, VA SYD has guaranteed spaces of interaction with the territories it serves. It also decided to create added value through further democratising its connections with society, and through a management style intended to 'horizontalise' relationships among its workers and shape a 'collaborative environment'.

Within VA SYD internal management strategy, five main measures have been adopted since 2008:

1. Valorising symbolic moments (e.g., the choice of company name, mottos, and headquarters location) as spaces for larger discussion among workers;

2. Valorising training (and especially 'group development' compulsory seminars) as moments of 'collective growth' which could also help to solve problems of individual employees and reduce workers' 'risk of failure';

3. Favouring daily participation of workers in company choices, for example, in the elaboration of the triennial business plan that is modified yearly by all sector/department units;

4. Enhancing cross-sectoral dialogue between workers through carefully shaping working spaces and creating daily informal moments devoted to dialogue (like coffee-breaks, and others); and

5. Using a special 'media training' programme as an opportunity to create self-confidence, mutual trust, and co-empowerment of workers in line with company goals.

Trusting workers is a priority of the 'decentralised strategy' at VA SYD, and increases employee's sense of belonging. Media relationships are not centralised in a special press office; instead, every employee with front-line tasks 'on the field' is empowered to talk with journalists, based on the idea that 'people and the media prefer to speak with those who know about problems and concrete solutions instead of neutral professional communicators, who do not have any technical skill and just transmit *second hand information*'. Special courses are held to raise employee's self-confidence and to avoid miscoordination and damages to the company image. In VA SYD's first two years, this choice has proven to be positive, revealing a good selection of appointed personnel.

For social dialogues with customers (beyond 'city planning' participatory sessions organised by partner cities' administrations), VA SYD uses more 'traditional' instruments, such as helpdesk-lines (by phone or website), contests to stimulate clients to regularly complete customer-satisfaction studies, and several 'transparent' publications (e.g., annual and triennial budget summaries written in user-friendly languages, postcards with pictures and signatures of

managers and on-field technicians working in the territory). A wide educational campaign strategy is also a pivotal feature, including stalls in temporary exhibitions, the management of exhibition spaces in water towers, and current planning for a 'water-house' to be realised in Malmö within a planned waterpark with leisure facilities. These are dedicated to schools and young people to contribute to changing citizens' attitudes and daily behaviours, to raise interest in topics that have low visibility at university, and to raise awareness of the risk of having insufficient professional experts in the future.

VA SYD has also started to experiment with three additional innovative tools:

1. *The focus group on 'special needs'* was activated as VA SYD was completing its website in 2008 to gather together several organisations of people with disabilities in order to evaluate needs for adapted functionalities to provide equal access to all the main services.

2. *The 'Reference group on billing' ('Abonnentgroup'* = users' group) is an informal tool that has been called on several times since the 1980s to redefine tariff policies. It is an *ad-hoc semi-representative* institution, a 'deliberative' space that the VA SYD Board invites from time to time to discuss fare policies. It is normally composed of people perceived as 'representative' of some organised *stakeholders*, trying to respect their territorial belonging and the three classes of building typologies for tariffs (detached houses, apartment buildings, and industry). It is usually composed of representatives of the consumer federation of owners, the tenants of the housing municipal company (MKB – Malmö Common Housing), small- and medium-sized company owners, and two big industries. VA SYD chooses the organisations but each has the autonomy to choose (with is own criteria) the person to represent it in the consultative space, except for industry owners, who are chosen and invited directly by VA SYD.

3. *Recruiting policies to reflect society* – At VA SYD, the issue of facilitating communication with immigrants through the use of non-Swedish languages is not addressed via a regular policy of cultural mediators. On the contrary, the issue is 'internalised' into the increasingly complex human resources structure, which 'tends to be the mirror of society and represents its differences'.[3] VA SYD workers speak several languages used by the main immigrant groups in the Malmö-Lund area. This is considered to be a more user-friendly approach then having 'language mediators' dealing only with translation, avoids viewing the presence of foreigners as 'exceptions' on the territory, and brings together the scientific knowledge and communication capacities of VA SYD workers. Such goals weigh on the human resources recruiting strategy, which seeks to gradually substitute the employees that are leaving with a diversity of age, gender, and birth-origin groups.

Institutionalization processes
The 1994 tendering process that gave birth to VA SYD and maintained the service in the public sectors' hands represented an important reference for the entire country and especially the Skåne region. Some actors considered that if the 'natural monopoly' of water by the state was subsequently recognised in the reforms to the Water Act that followed, the Malmö experience played a partially role, as did the controversial results of privatisation experiences in the U.K.

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[3] The issue was stated with almost the same words by several workers during separate interviews on 23 September 2009.

In regards to the 'combined approach' shaped by VA SYD to guarantee social dialogue both internally and in relationships with customers and the territories where it works, it must be recognised that a various and variable formalisation measures have been adopted until now in order not to 'freeze' tools that are still young.

From this perspective, the company institutionalised some changes in reorganising its own structure, for example, 'officialising' dialogue between the Board and the Assembly, or creating a new 'Marketing Department' through merging the old customer service and communication units. Its roles today deal with external communication (publishing material, gadgets, advertising, image issues for benchmarking, and organising events), managing the customer hotline, structuring and updating the website, translating the technical information given by all departments and units into more user-friendly language, contributing to increased internal coordination through cross-communication of news, and checking the general coherence of communication products whose contents are issued by other departments. In the future, however, the department will go beyond these roles; in 2011, it will be in charge of 'fluidifying' internal dialogue between departments and units by building a network of 'key reference' persons in all working areas and adopting the website as a communicational interface for internal cross-unit communication.

If other measures adopted to more 'horizontally' reorganize daily work and internal decision-making structures, and even relationships with society (as the Focus Group on Special Needs and the Reference Group on Billing) are not yet 'institutionalized', this is because many of these tools are still young, and their effects have not yet been carefully studied. Nevertheless, they are considered 'solid innovations' due to the general productivity revealed by the overall management style, and the fact that high-level decisions are always taken inside collective organisms. The policy of the Human Resources Department, which is oriented to complexifying the ethnic composition of front-office personnel and the technicians that work with customers, represents today only a praxis or a general 'orientation' and is not guaranteed in any statute or ruling document. Thus, it could be imagined 'at risk' in the case of a switch in the management style, but – as VA SYD personnel underline – it is a type of policy not easily formalised as it could clash with rules of equal access to work positions, and so is better to be maintained as an 'informal' vision concerning human resource selections.

If in the peculiar situation of VA SYD (and the specific Swedish context) a higher degree of formalisation of some of the above mentioned innovations is not considered necessary, undoubtedly this may not be true for other possible emulation contexts, and 'institutionalisation' has to be considered a central issue in reflecting on the replicability of the VA SYD experience.

Financing
As stated by the Swedish Water and Wastewater Association, two-thirds of utility costs are typically covered by fees, although smaller municipalities may subsidise them with local taxes. Altogether, 99% of capital and operating costs are retrieved through tariffs (SWWA 2000), suggesting that water supply and wastewater management can be regarded as self-reliant at the low profit level regulated by the National Water Act.

The direct costs of implementing VA SYD's social dialogue policies are 'internalised' in the normal functioning and operating costs of the company. According to interviews with VA SYD

managers, the policies described in this case are 'a means of saving more than a specific voice in spending, because they represent a style of governance which valorises small investments, producing a general transparency which betters the feeling of belonging and the satisfaction of both worker and service users'.[4]

The costs of external communication (all inclusive) are normally supported by the Marketing Department, which employs 10 people and receives 11 million SEK, around 2% of the general budget including personnel costs.

Key results and achievements
Undoubtedly, although a continuous monitoring process for all the VA SYD innovations has not been implemented, overall evaluations of the new management style – which places cross-cooperation and internal/external dialogue at its centre – are highly positive. Indirect indicators show that the new 'interfaces' structured since 2008 (often consolidating experiences done in previous years) contributed to a high quality daily performance that is considered very satisfactory by more than 77% of customers. This conclusion is supported by other qualitative parameters, such as a reduction in the number of unsatisfied employees who quit the company; the number of phone calls congratulating the sector and the company for the work done; and the number of complaints which in the end lead to satisfaction (around 90%), with final solutions fulfilled within one month. A social campaign (2009) that used social advertising for the first time on several local radios resulted in a quadrupling of website contacts after every on-air announcement, and is considered an important 'pilot' for future diversifications of social dialogue opportunities. Gender mainstreaming policy, supported by a special triennial goals document, has led (in 2010) to around 32% women among the 295 employees, representing 50% of workers in the Administration and Finance Department, 90% in the Marketing Department, and slowing growing numbers in the more technical sectors.

One of the most impressive results obtained by VA SYD's 'hybrid' management structure concerns building productive relations with the political structures of the two cities in which it operates, making them feel 'at ease' in every step of decision-making. The homogenisation of service fares in 2009 was the positive fruit of a dialogue that moved from a very different initial strategy adopted by Lund, to a soft, slow internal dialogue between the political Assembly and the Technical Board, to a gradual 'convergence' with the strategy adopted in Malmö since 2008 (Allegretti 2009).

Educational activities realised in compulsory schools and in urban spaces (such as the '*Vattenbaren'* or Water Bar, organized within an important annual fair in Lund) also show growing success. Pedagogic materials produced by VA SYD to support teachers in teaching about environmental issues are increasingly being consulted online. Art is becoming a successful tool for carrying out campaigns and communicating with citizens. Even if the effect of educational campaigns has never been measured, at VA SYD they are considered important for the company workers, feeding their *pride* and their *feeling of belonging to the organisation*.

Nevertheless, it is worth underlining that the most apparently outstanding and innovative activities experimented by VA SYD were not necessarily the most successful. The Focus Group

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[4] Interview with the President of the Managing Board, 21 September 2009.

on Special Needs and other tools that could be very interesting in many other countries, such as the Reference Group on Billing, did not generate high interest or significant results in the Swedish case, even among civil society actors. To explain the disappointing results, is worth pointing out that the average price of water in Sweden is very low, and the issue of price increases is not considered attractive. In Malmö, water prices were raised by +3% in 2006 and +5% in 2008, but the influence of civil society stakeholders in keeping these numbers low was not particularly remarkable. Given that the group works on a voluntary basis, it often occurs that some invited actors do not participate, probably judging the issue as residual. Is it possible that the present composition and the informality of its structure and mechanisms of convening affected the potentially innovative results of the group? Or is it that the topic is really not conflict-ridden in Sweden so that the 'ritual convocation' of such an interest group is merely a formal expression of transparency and 'institutional courtesy' by the agency in charge of delivering the services?

Main obstacles

Interviews with key informants indicated that there were no specific obstacles encountered in building the strategy of VA SYD, except the laziness and scepticism of some social representatives who had been invited to join the sessions of the Reference Group on Billing. The internal structure always reacted in a positive manner to the several social dialogue experiments, as did the politicians of Malmö and Lund.

Nevertheless, a number of challenges remain, which have to be overcome for the future:

1. The need to 'spatialise' communication and information strategies using GIS mapping and satellite images or photographs, which still appear underestimated.

2. The need to strengthen the long tradition of cooperation with Swedish and Danish universities that collaborate with VA SYD; to extend contacts (today limited to areas such as environmental engineering and economics) to fields like communication and sociological analysis; and to create a specific research or statistics department that could act as an 'educational unit', reinforce internship opportunities, and valorise collaborations with SWWA (for carrying out statistical and technical inquiries and reports fostering innovation and a high-profile learning network).

3. The need to enhance the translation of all main budget/vision documents into other languages, and to strengthen the human resources selection policy aimed at reproducing and reflecting inside the agency the complexity of the overall society outside so to create a network of technicians which could act also as 'cultural mediators', as is experimentally happening now.

Replicability or adaptation of policy elsewhere

The experience of VA SYD is a virtuous one, but one that clearly shows its context and path dependency, and strictly connected to some local and conjunctural features that partially determined its evolution. Thus, 're-adaptation' has to be at the centre of any attempt to replicate it elsewhere, especially considering that some tools and policies which can remain 'informal' in VA SYD without jeopardising their sustainability over time might need to be formalised in less sensitive and dialogically driven contexts.

For example, it is not negligible that VA SYD developed in a country with a strong tradition of defending public management service, and with a detailed legal framework that in recent changes has strengthened this issue and highlighted the idea of 'non-profit' as a key concept for the water and wastewater sector. Furthermore, the experience developed in a country were the abundance and the low cost of water mean low societal tensions about water, and explains why several issues have been left aside (such as how to solve potential conflicts with civil society and discuss differentiated tariffs for vulnerable social groups or large families).

Overall, reflections on replicating the VA SYD experience have to cope with a visible paradox: possibly, some measures implemented (such as the Focus Group on Special Need or the Reference Group on Billing) have been less successful in Sweden than they would be elsewhere because of the peculiar character of the context, which is not conflictual about water issues because its welfare state still guarantees integration and rights of minorities and vulnerable groups through a large range of affirmative actions that influence the quality of daily life. From this perspective, such 'situational limits', which could have affected the results of some VA SYD experiments, do not diminish the importance of what has been experimented but – on the contrary – increase it, especially for contexts where so many general guarantees are not operating properly.

Among the elements that could be emulated in different contexts are:

1. The organisational articulation of a new hybrid company, which is both simple to read and complex enough to cope with differences among partners.

2. The idea of working at a supra-municipal scale, as the only possible engine that can guarantee the quality of service, as well as innovation and modernisation.

3. The ability to deal with a metropolitan governance, simultaneously guaranteeing mutual respect and equality among cities with different regional weight, and also the autonomy of a diverse range of political actors.

4. The spread-all-over capacity of creating horizontal dialogue both with civil society (and especially young people and vulnerable groups) and within the organisation's internal structures, turning the openness to dialogue into a 'brand' of management style.

5. Some policies in the sector of human resources which proved to be functional for creating a positive working environment, empowering each employee through trust and guaranteeing a stronger commitment of workers in reaching the company goals.

6. The transparency pursued with several publications (e.g., annual and triennial budgets, budget investment reports) that re-elaborate technical languages to reach maximum accessibility.

7. A variable configuration of training policies, which avoids pre-formatted standard configurations in order to adapt better to the ongoing transformation of workers' needs.

8. Attempts (some of which still need to be strengthened and enriched) to face issues like tariffs and communication through frank discussions with the organised social fabric.

The last point in particular would require critical adaptations to be implemented in a different national context. In another place, it is likely that a stronger formal commitment to taking into account what emerges from the dialogue between the Service Agency and the civil society

stakeholders would have to be guaranteed. Moreover, the stakeholders would have to be specifically chosen, abandoning the 'discretional criteria' and the 'selective listening method' adopted at VA SYD. In fact, in a more conflictual environment (where water is a scarce resource, the price is higher, and society has fewer social welfare guarantees), the method of choosing actors and their different degrees of representativeness could become a very tense topic. Thus, in another context, a rotation of actors or techniques of random selection would be far more necessary, as would a higher degree of formalisation in stating the rules, rights, and duties of the participatory entity.

Perhaps an adaptation of some VA SYD features in a different context would have to create a clear 'Charter of Services' and rules to monitor its operationalization. This need was not felt in Malmö and Lund because the Swedish legal framework adequately defines quality standards, duties, responsibilities (both of company and customers), and sanctions against their violation, which is supported by a highly functional judicial tool (the Water Court).

Finally, to better ensure fluidity in horizontal relations among service departments and units, it could be useful to upgrade and define better the structure organigram, transforming it into a more complex 'fluxogram' where internal cross-cooperation interactions and the 'interfaces of dialogue' with customers could be more clearly documented.

SUMMARY

VA SYD is a joint public company in the Region of Skåne that provides water, wastewater, and other services for Malmö, Lund, and other small cities. Launched in 1994 and finally structured in 2008, it tells the story of a privatisation threat that never became reality, giving way to a virtuous experience that renovated the old Water Department of Malmö in a creative way.

Today, VA SYD governance structures foster the coexistence of clear common goals and guarantees of autonomy for its different partner cities. Separate City economies live together, and guarantee a variable configuration of different services that are (or are not) entrusted to VA SYD by each City partner.

In terms of VA SYD's internal organisation, all the pre-existing sectors partially ceased power to the overall (merged) structure, avoiding the creation or survival of small 'kingdoms' separate from the global strategy. To balance these losses, internal cohesion was reached through a 'horizontalisation' process that sought to 'fluidify' cross-cooperation among different departments and units and to valorise workers, which has contributed to increasing individuals' commitment to fulfilling VA SYD goals. These objectives were pursued through providing a growing, positive work environment as well as a series of new spaces for open dialogue that were not limited to employees but also created new relationships with customers. Among them, the most visible are the Focus Group on Special Needs (created to adapt the service website of VA SYD to the exigencies of disabled citizens) and the Reference Group on Billing, which has met three times so far to discuss possible raises in consumer fares.

Although widely appreciated by customers, some of the innovative institutions did not produce strong results, as the experiments occurred in a socio-political framework where the issue of

water is not at the centre of conflicts or a tense social debate and the cost of water is low for users in such a water-rich country (and with a well-organised social welfare system). From this perspective, the tools adopted internally to support a policy of 'horizontal social dialogue' proved much more effective. Nevertheless, gathering together the different experimentations done inside VA SYD, it is possible to point out a general setting of policies that could be highly significant for other contexts. Any adaptations of these innovative measures and policies should probably strengthen the aspects of formalisation and institutionalisation, which in Malmö and Lund have not been necessary to date.

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VA SYD: http://www.vasyd.se

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