'Improvement of administrative capacities of municipalities on the basis of municipal collaboration'

(the CSS project)

Case study of Czech ESF project under the study 'Progress Assessment of the ESF Support to Public Administration' (PAPA)

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PROJECT BACKGROUND

Improvement of administrative capacities of municipalities on the basis of municipal collaboration

Operational Programme	03 Operational Programme Employment, Priority Axis 03.4, 'Efficient public administration', specific objective 03.4.74, 'Investments into institutional capacity and efficiency of public administration and public services'
Beneficiary organisation	Union of Towns and Municipalities of the Czech Republic (SMOČR)
Target groups	Municipalities and their mayors and employees, voluntary associations of municipalities and their employees, citizens
Project duration	01/02/2016 – 29/02/2020 (the project was extended recently, originally the project duration was till the end of June 2019)
Budget	CZK 329,021,310 (EUR 12.6 million, ESF contribution: EUR 10,232,942)
Project manager (email address)	Antonín Lízner, SMOČR (lizner@smocr.cz)
Partners	Ministry of the Interior, Ministry of Labour and Social Affairs, Voluntary associations of municipalities participating in the project (http://www.smocr.cz/cz/nase-projekty/centra-spolecnych-sluzeb-obci/zapojena-css/default.aspx) and their members
Project/ organisation website	https://www.smocr.cz/cs/projekty/centra-spolecnych-sluzeb

This case study was produced during the project 'Progress Assessment of the ESF Support to Public Administration - PAPA', that was contracted by DG Employment, Social Affairs and Inclusion of the European Commission. The purpose of this project was to present specific cases of ESF-funded public administration reform and capacity building initiatives, as well as to show the role of ESF financial support to public administration for accountability purposes. This report provides a story on the project **'Improvement of administrative capacities of municipalities on the basis of municipal collaboration'**, which discusses its context and purpose; characteristics of the team implementing it; main challenges faced and difficulties encountered during implementation; key developments during the implementation process; results and impacts achieved; as well as lessons learned and the contribution of ESF.

IMPROVEMENT OF ADMINISTRATIVE CAPACITIES OF MUNICIPALITIES (CENTRES OF INTERCOMMUNAL SERVICES)

Introduction: the context of the project

'We anticipate that the project will test, verify and confirm that a collaboration of municipalities is meaningful, if approached appropriately and municipalities make an agreement and establish their common advisory body. This can show municipalities that if they affiliate, it may have effects' says David Sláma, Head of the Department for Strategic Development and Cooperation of Public Administration of the Ministry of the Interior, about the project 'Improvement of administrative capacities of municipalities on the basis of intermunicipal collaboration'[1], also known as 'Centres of Intercommunal Services' ('Centra společných služeb'; CSSs).

The project was initiated by the Union of Towns and Municipalities of the Czech Republic (SMOČR). It has been implemented since February 2016, as the follow-up to an ESF-funded project from the previous programming period, 'System support of development of intermunicipal collaboration of municipalities within administrative territories of municipalities with extended responsibilities', which was also known by a shorthand title as 'Intermunicipal Collaboration'. The scheduled completion date is February 2020, following an eight-month extension.

In Czechia, municipalities represent the lowest tier of local self-government. They may exercise their own (self-governmental) tasks, but also tasks that are delegated from higher tiers of government (state administration). Municipalities are classified into different types according to the amount of state administration they exercise[2]. The interest in intermunicipal cooperation has been driven by developments in public administration since the change of regime in 1990, which led to the fragmentation of the municipal base. Currently, there are more than 6,200 municipalities. As Table 1 shows, over three-quarters of municipalities (77%) have fewer than 1,000 inhabitants, with almost a quarter (23%) having below 200 inhabitants[3].

Table 1. Structure of municipalities in Czechia

Region	Total	Municipalities (number of inhabitants)									
		Up to 199	200-499	500-999	1 000-1 999	2 000-4 999	5 000-9 999	10 000-19 999	20 000-49 999	50 000-99 999	over 100 000
Hlavní město Praha	1	-	-	-	-	-	-	-	-	-	1
Středočeský kraj	1 144	228	373	280	149	74	20	15	4	1	-
Jihočeský kraj	624	231	205	87	49	31	14	2	4	1	-
Plzeňský kraj	501	165	164	81	47	29	9	4	1	-	1
Karlovarský kraj	134	16	45	32	15	15	4	4	3	-	-
Ústecký kraj	354	47	124	87	45	26	8	10	5	2	-
Liberecký kraj	215	29	64	61	29	17	10	2	2	-	1
Královéhradecký kraj	448	99	171	100	34	22	14	5	2	1	-
Pardubický kraj	451	104	175	91	45	19	8	7	1	1	-

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[1] CZ.03.4.74/0.0/0.0/15_019/0003017.

[2] Špaček, 2019a.

[3] ČSÚ, 2018.

Region	Total	Municipalities (number of inhabitants)									
		Up to 199	200-499	500-999	1 000-1 999	2 000-4 999	5 000-9 999	10 000-19 999	20 000-49 999	50 000-99 999	over 100 000
Kraj Vysočina	704	328	212	97	36	14	9	4	3	1	-
Jihomoravský kraj	673	109	191	179	108	62	14	4	5	-	1
Olomoucký kraj	402	45	129	110	72	33	4	5	3	-	1
Zlínský kraj	307	17	85	97	52	38	9	4	4	1	-
Moravskoslezský kraj	300	14	54	77	74	47	19	3	7	4	1
TOTAL	6 258	1 432	1 992	1 379	755	427	142	69	44	12	6

Source: Author based on ČSÚ (2018).

The capability of small municipalities has been explored in various public administration reform programmes. Already, the first reform strategy from 1999 noted that small municipalities might have problems in executing their self-governmental tasks[4] and anticipated that, in future, it would be necessary to search for appropriate economic and legal tools that would support voluntary integration of municipalities or limit the disintegration of municipalities in future. However, the last initiatives focusing on mergers of municipalities were implemented during the communist period, especially in late 1970s and 1980s. It was a reaction to their strict and administrative top-down nature that led to almost 2,000 new municipalities being established during the period 1990-1992 (i.e. right after the change of regime)[5].

Since the 1990s, the problem of a large number of small municipalities has been partly solved by their voluntary cooperation[6]. The 2000 Act on Municipalities (subsequently amended) allows cooperation between municipalities in the performance of their independent competences. Various forms can be used. Concluding an agreement to create a voluntary association of municipalities (the DSO; 'dobrovolný svazek obce') represents one of the most frequent. If established, the association is a legal entity. Each municipality can participate in more than one voluntary association and the Act specifies the scope of voluntary associations of municipalities with respect to the subject of their activities[7]. Still, the establishment of voluntary associations of municipalities does not seem to have overcome problems on the local level, as indicated in the last two PAR strategies.

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[4] Ministerstvo vnitra, 1999.

[5] Čechák, 2004; Špaček, 2019.

[6] Sedmihradská, 2018.

[7] a) Tasks in the field of education, welfare, health care, the arts, fire prevention, public order, environmental protection, tourism, and animal welfare;

b) Ensuring the cleanliness of a municipality, management of public greenery and public lighting, collection and removal of municipal waste and the safe processing, recovery or disposal thereof, water supplies, wastewater drainage and treatment;

c) Implementing, extending and improving networks of technical amenities, underground services and systems of public passenger transport, in order to ensure a transport service within the given territory;

d) Tasks in the field of air protection, tasks related to the conversion of heating or water heating using solid fuels to the use of environmentally-friendly sources of thermal energy in residential and other buildings, which are in the property of municipalities;

e) The operation of quarries, sand quarries and equipment for mining and processing mineral resources;

f) Management of the property of municipalities, in particular local roads, forests, the housing fund and housing stock, sports and cultural facilities, and other facilities managed by municipalities.

The 'Smart Administration Strategy for the period 2007-2015'[8] also highlighted low levels of professionalism in the execution of self-governmental and state administration tasks of small municipalities, and insufficient competencies of their management (mayors). It also emphasised issues with methodological help and coordination from the central level. However, it did not address the problem of the large number of small municipalities explicitly and systematically, and only anticipated, in very general terms, that the State would prepare systemic conditions for public service delivery (containing legislation, methodological help, monitoring of quality and availability of services and control) and both municipal and regional self-governments would be responsible for service delivery in compliance with the framework set by the central level. The strategy suggested that the situation might be improved mainly through e-government and the establishment of a network of contact points for submissions to public authorities, obtaining information from public administration registers etc. (the future Czech POINT project).

The current 'Strategic Framework for the Development of Public Administration in the Czech Republic for the period 2014–2020' does acknowledge one category of municipality, which will provide the basis of future administrative-territorial structures - the special group of so-called municipalities with extended powers ('obce s rozšířenou působností', ORPs) which was established since 2003 and comprises 205 municipalities[9]. The Strategic Framework also refers explicitly to the role of intermunicipal cooperation in improving the capacities of municipalities in quality management, efficiency and ensuring equal access to public services. The implementation plan for its 2nd strategic goal expects the establishment of 30 service centres that will be guided by the Union of Towns and Municipalities.

Based on this, the CSS project has been launched. It relates to the establishment of voluntary associations of municipalities, but is not focused specifically on their activities as specified by the legislation with regards to their scope. Rather, voluntary associations of municipalities were used as platforms on which individual Centres of Intercommunal Services could be established. Only existing voluntary associations of municipalities were eligible to participate in the project and obtain additional funding and personnel for additional activities, based on their contract concluded with the Union of Towns and Municipalities. The contract sets out the responsibilities of CSSs to deliver services that are needed and required, and emphasises that services should concentrate especially on activities related to self-governmental tasks of municipalities.

Design and execution of the ESF-funded projects

The CSS project arose as a natural follow-up to the previous Intermunicipal Collaboration project ('MOS' in Czech) of the Union of Towns and Municipalities, which was implemented between May 2013 and the end of November 2015 within the Operational Programme Human Resources and Employment (and the priority axis 4 focused on public administration and public services and the related investment priority 4.1 for improvement of institutional capacity and efficiency of public administration). The total budget spent was almost CZK 597 million (approximately EUR 23 million).
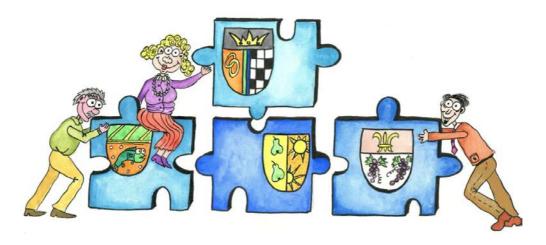
The main aim of the previous project was to establish the basis for long-term and systematic support to intermunicipal collaboration in Czechia, through improved intermunicipal cooperation within the territories of the municipalities with extended powers (ORPs). The project anticipated that specific analyses would be prepared for these territories followed by recommendations for

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[8] Ministerstvo vnitra, 2007.
[9] Špaček, 2019b.

future development and coordination of services that might potentially bring cost savings. As managing authority, the Ministry of Labour and Social Affairs required that at least 164 out of the total 205 territories of municipalities with extended powers (ORPs) had to participate. Finally, 186 territories participated and strategic analyses and following action plans were elaborated for three compulsory topics – pre-school and primary education, social services and waste disposal – and for one or two optional themes[10]. Dissemination activities of the project used the following picture, indicating the main aim of the project and active engagement of representatives of municipalities participating in the project.

Figure 1. From graphic design of the former Intermunicipal Collaboration project

Source: Proceedings of the international conference on intermunicipal cooperation (SMOČR, 2013).

As broader context, the second Czech municipal association, Association of Local Self-governments (SMS[11]), also implemented two projects in the 2007-2013 programming period, both co-funded from the Operational Programme Human Resources and Employment (OPLZZ) within priority axis 4 (public administration and public services) and investment priority 4.1 (improvement of institutional capacity and efficiency of public administration).[12]

- The first project concerned Local Action Groups (LAGs[13]; 'místní akční skupina', MAS) as a tool for municipal cooperation for the efficient operation of the authorities[14] and was implemented from June 2014 until the end of December 2015, with almost CZK 30 million spent (approximately EUR 1,150,000). It focused on the improvement of

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[10] SMOČR, 2015

[11] See: https://www.smscr.cz/

[12] Information on the project can be found here (in Czech): https://esf2014.esfcr.cz/PublicPortal/Views/Projekty/Public/ProjektDetailPublicPage.aspx?action=get&datovySkladId=65FA1606-3802-462E-8407-0B65B665E20F. Web pages dedicated to the project and its outputs is available here: https://www.smscr.cz/aktuality/883-mas-jako-nastroj-spoluprace-obci-pro-efektivni-chod-uradu. (Both accessed 16.06.2019).

[13] These groups have been established based on the LEADER initiative of the EU that has sought to support rural development projects. LAGs are presented as associations of citizens, NGOs, the private business sphere and public authorities (municipalities, their associations and other public authorities) that cooperate in order to develop rural areas and agriculture, with financial support from the EU and national sources. Their primary goal is to improve quality of life and environment in rural areas. The whole territory of Czechia is covered by these LAGs. At present, 179 exist that can receive funds from the Rural Development Programme, which is managed by the Ministry of Agriculture.

[14] 'MAS jako nástroj spolupráce obcí pro efektivní chod úřadů', CZ.1.04/4.1.00/B6.00043.

the effectiveness and quality of public administration exercised by municipalities through LAGs. The project concentrated on five priority areas – transport, education, flood-control measures, waste disposal, and the economy and unemployment. Its outputs also included sharing of good practice, together with the education of over 1,900 mayors. According to available information, 69 LAGs covering 2,379 municipalities were partnering the project.

- The second project of the SMS, 'Year in the municipality'[15] was implemented from July 2014 to the end of October 2015, with almost CZK 8.5 million (i.e. EUR 327,000) as the total budget spent[16]. It focused on evaluating the competences of mayors and preparing recommendations for legislative changes, guides for mayors of small municipalities, and ICT tools to help them in their everyday activities that have been integrated on the portal http://www.rokvobci.cz.

However, not everything was perceived as smooth and perfect. For instance, the Supreme Audit Office (NKÚ) controlled the Intermunicipal Collaboration project of the SMOČR, as well as the project on Local Action Groups of the SMS.[17] It criticised that neither of the projects had measurable aims and deadlines, and hence the benefits and impacts could not be evaluated and proved. The support had been allocated without sufficient coordination of the two projects that were competing in the area of intermunicipal collaboration, and both the projects were implemented on some territories at the same time by the same people. The Supreme Audit Office also criticised that the ministries had not surveyed and evaluated the actual use of outputs of the projects and it was not proved sufficiently that the collaboration of municipalities had been intensified. On the other hand, the survey of municipalities that is presented in the report indicated that intermunicipal cooperation had improved, according to 53% of municipalities, while 55% of municipalities stated that the strategic documents and action plans produced under the project were useful. 'We liked the collaboration [within the MOS project]. We mayors were meeting together, speaking about our practices… nothing like this existed before.' says Miroslav Boháček, the mayor of Bílovice nad Svitavou, a small municipality with 3 600 inhabitants.

Jaromír Jech from the Union of Towns and Municipalities (SMOČR)[18], criticised that outputs of the former MOS project had not been used by central authorities which, according to his opinion, produce or order strategic analyses over and over again. An academic who was interviewed and wanted to remain anonymous stated that 'within the former project, based on data collected, they (SMOČR) summarised what voluntary associations would need and in what areas they wanted to cooperate. They also prepared various methodological guides and prepared summaries on participating voluntary associations that were not available before.'

ESF-supported project 'Centres of Intercommunal Services' (the CSS project)

'We did not know that the former project would continue and would be followed by the CSS project', admitted Jaromir Jech from the Union of Towns and Municipalities (SMOČR), and added: 'This resulted from meetings with mayors during the project.' Basically the current CSS project

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[15] 'Rok v obci', CZ.1.04/4.1.00/B6.00044.

[16] Information on the project can be found here (in Czech):
https://esf2014.esfcr.cz/PublicPortal/Views/Projekty/Public/ProjektDetailPublicPage.aspx?action=get&datovySkladId=1807CDD4-95B2-487E-8B99-C6EE5683065D (accessed: 16 June 2019).

[17] NKÚ, 2016.

[18] At the time the MOS the project was being prepared, he was a director of the Office for Projects and Training of SMOČR and the head of the MOS project. Now he is an internal evaluator of the CSS project.

was initiated thanks to the former project on intermunicipal collaboration based on which individual activities were adjusted together with collaboration of municipalities. According to Jaromír Jech, the former and current projects of the SMOČR arise from the fact that no framework for a more systemic funding of intermunicipal cooperation has been approved in Czechia since 1989 that would ensure its sustainability.

SMOČR was the instigator of the CSS project and, based on its cooperation with the Ministry of the Interior, it was also incorporated into the goals and activities anticipated by the current public administration reform programme for the 2014-2020 period. The project (CZK 329 million, approximately EUR 12.8 million) is being implemented within the Operational Programme Employment, its priority axis dedicated to efficient public administration and specific objective to optimize processes and procedures in public administration.

The CSS project focuses on the establishment of the Centres of Intercommunal Services (CSSs) that are supposed to contribute to capabilities and availability of services provided by small municipalities and increase awareness of their citizens about public services. Only the voluntary associations of municipalities (DSOs), not individual municipalities, are eligible to participate in the project.

Within the project, the following key activities were anticipated:

1. Project management;
2. Methodological support for CSSs established within the project (including legal advice);
3. Selection of participating DSOs, conclusion of contracts and establishment of a system for cooperation between the DSOs and the SMOČR;
4. Set up of an educational system and continuous improvement of capacities of personnel of CSSs, as well as the project team of the SMOČR;
5. Establishment and activities of individual CSSs and establishment of a communication platform for DSOs on the national level;
6. Setting up and running a system for evaluation of the CSSs;
7. Independent project evaluation;
8. Responsible public procurement (advising municipalities on public tendering with an emphasis on socially-responsible public procurement) - this key activity was added during the project, in summer 2017; and
9. Support to intermunicipal cooperation for coordination of local economy - this key activity was added in April 2019, and is supposed to be realised from July to December 2019.

The core activities of the project are focused, naturally, on the establishment and functioning of the CSSs. The needs of small municipalities were surveyed by the SMOČR during the preparatory phase of the project and findings of this *ex ante* survey indicated that mayors of municipalities would welcome intermunicipal cooperation particularly in the following areas: grants, project management and project realisation; regular meetings of representatives of municipalities; sharing of good practices and experiences; basic advice for municipalities; and legal advice.[19]

Besides the managing authority (Ministry of Labour and Social Affairs) and a thematic guarantor of the project (Ministry of the Interior), the main actors of the projects are the SMOČR as the

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[19] SMOČR, 2016.

beneficiary and the DSOs where CSSs were established. There are also five regional coordinators appointed by the SMOČR, who are responsible for communication with CSSs within larger territories (two or more Czech regions[20]).

Implementation of the ESF project: main developments and challenges

During the project's implementation, individual CSSs were established based on contracts between the SMOČR and participating DSOs.[21] The managing authority (the Ministry of Labour and Social Affairs) required that the call to cooperate in the CSS project would be opened up to associations of municipalities who were not only members of the SMOČR and anticipated that at least 76 voluntary associations of municipalities would join the project. Jaromír Jech emphasised that openness in selection of voluntary associations of municipalities for the project, but also noted 'we also communicated that the size of the final group of CSSs would be determined by the available budget and the accepted criteria - for instance, that associations with more than 15 municipalities are eligible. The available budget allowed us to work with 90 territories at most.'

In fact, the response exceeded the expectations - CSSs have been established in 83 voluntary associations of municipalities. The participating associations of municipalities cover 1,672 municipalities in total.

The contract used for establishment of individual CSS anticipates that a municipality can use only services provided by its CSS, not the services provided by a different CSS. The SMOČR is responsible for methodological help, coordination, legal advice and also for co-funding of personnel of CSSs. The DSO is responsible for establishment of a realisation team consisting of at least two employees – a manager of the CSS and an expert of specialists for development of a micro-region. Their tasks are specified in the contract and its annex, which includes a rather large list of activities. The project anticipated that the two full-time positions would be co-funded by SMOČR for the project period of 36 months (and for an additional six months after the recent extension of the project). The project anticipated maximum 9.5% co-funding from individual DSOs. The contract also requires a DSO to ensure it is sustainable for at least an additional one year after conclusion of the project – at least one member of the realisation team should be employed for the project activities on full-time basis for this additional period.

It was also anticipated in the contract that CSSs would be able to obtain the legal advisory services of a law firm procured within the CSS project by the SMOČR. Because the public tender was not successful, new key activities and positions were added to the project gradually and co-funded from the project, namely:

- The position of a specialist on public tenders responsible for advising for responsible public procurement; and, later, also

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[20] More information is available (only in Czech) at: http://smocr.cz/cz/nase-projekty/centra-spolecnych-sluzeb-obci/experti-na-komunikaci-s-dso-podle-regionu.aspx (accessed 13.07.2019).

[21] It is officially titled as the Contract on a mutual cooperation between the SMOČR and a DSO for realization of the project Improvement of administrative capacities of municipalities on the basis of municipal collaboration). The contract and annexes are available in pdf (only in Czech) at: http://smocr.cz/cz/nase-projekty/centra-spolecnych-sluzeb-obci/dokumenty/smlouvy-o-spolupraci-s-dso/smlouva-o-vzajemne-spolupraci-smo-cr-a-dso-prilohy.aspx (accessed 13.07.2019).

- A specialist/appointee for personal data protection with the responsibilities of Data Protection Officers anticipated by the GDPR legislation (which came into force at the end of May 2018).

The project's implementation has followed the plan, according to information obtained, in part because the project is based on continuous activities (assistance provided to municipalities on continuous basis). In practice, employees of the CSSs have been helping municipalities with preparing projects, monitoring potential project calls for them, providing consultancy on public tendering and other legal issues, and providing training for mayors and employees of municipalities, among other things. New activities of the CSSs were triggered by new key activities of the project - tasks related to consultancy on responsible public procurement and tasks of Data Protection Officers anticipated by recent GDPR legislation. These new law-related activities have also attracted new municipalities to enter existing voluntary associations of municipalities where the CSS was established. For instance, in the case of a voluntary association in which about 30 municipalities participate, the CSS´s employees exercise the tasks of GDPR officers to a hundred of organisations in total – not only for municipalities, but also for their pre-school educational institutions, libraries, etc.

One of the CSS´s managers interviewed emphasised that the project attempts to help mayors of participating municipalities. Another summarised the aims of his CSS as follows: 'We try to positively influence a development of our territory and support local councillors and mayors. Nothing like this was available before, because they had only their ORP [municipality with extended powers] or region. But these are public authorities. And they [mayors] do not come to us as to authorities, rather they perceive us as their peers. This is what they perceive rather positively.' Employees of two CSSs emphasised that they had particularly provided help related to information about news in public administration (new legislation, changes in legislation and related new requirements) and project preparation. They were also required to inform mayors about existing project calls. Other activities were more or less marginal and included, for instance, preparation of a strategy on the development of sport. Some CSSs are also coordinating projects that had been launched before the CSS was established. Every CSS can be different because of its size, the structure of municipalities involved in the DSO where the CSS was established, and the experiences of employees of CSSs. In the words of one CSS manager: 'If an employee does not have 10 years of experience, he/she cannot provide services in all areas anticipated in the contract with the SMOČR… The list of services of CSS that is included in the contract is rather long and may be too ambitious. People need competences, experiences, knowledge… A man must be a superman to handle all the tasks anticipated in the contract with the SMOČR… and our CSS has to serve 26 municipalities, has only three employees and two of them work on a part-time basis.' Also, experiences of mayors and their professions are important. More experienced mayors, and mayors with some background in the public sector, do not need the same assistance as his or her colleagues who have only short experience in their posts.

One of the major obstacles of the project has been the unsuccessful public tender on legal counselling. A project manager from the Ministry of Labour and Social affairs summarised the situation as follows: 'It was a public tender that has not succeeded to be procured until today. They (the SMOČR) intended to procure it centrally. But because the public procurement was too long and not accomplished, it was finally decided not to continue… And to some extent this is substituted by legal counselling that is provided by the Union itself.'

One of the CSS´s managers emphasised that mayors had not been active so much in contacting them and asking for help. According to him, this may be determined by the short history of the voluntary association: 'Because our voluntary association of municipalities is young, mayors are not used to call employees of CSS in case of questions', and added 'I know that it is different in some CSSs.' He also noted that larger municipalities of their voluntary association were also involved in other voluntary associations at the same time and could obtain necessary information from different sources. He would also welcome training provided by the SMOČR being more focused sometimes. According to another CSS manager, this cannot be generalised because employees of CSSs can submit proposals for training in their self-evaluation reports prepared for SMOČR. Still, he noted that the weakest point of the project is that it is a soft project and as such it is not focusing on infrastructure investments, and therefore it may be hard to attract mayors of small municipalities easily: 'Mayors usually do not like such projects, or at least in the beginning. At the beginning, there can be a silent scepticism about what will happen and what the project will actually contribute to.'

Although it is stated among the goals of the project, interviews suggest that CSSs are not dealing with requests from citizens so much. In fulfilling their tasks, they have been providing help particularly to mayors and employees of municipalities (e.g. accountants). One of the CSS´s managers was of the opinion that this would be different if voluntary associations could provide services of Czech POINTs to citizens. These contact points can be established only in individual municipalities according to the legislation, and, as he noted 'in the case of small municipalities, the office hours may be restricted to few hours during one day in a week'. Voluntary associations can provide these services more frequently, which would make them more accessible to citizens.

Stakeholders in CSS have suggested that the following factors were critical for the performance of the project:

- Insufficient preparation of ex-ante negotiation and communication of the project;
- Ex-ante monitoring of what is needed and after matching supply with what is demanded;
- Recruitment of sufficient personnel of the realisation team and attraction of experienced employees to CSSs;
- Appropriate training of employees of CSSs;
- Intensive communication with key actors during the project, because the project became a rather living organism, i.e. not only between SMOČR and CSSs, but also between SMOČR and the ministries in case of problems and successes etc.
- Proactivity of CSS employees that should not wait for requests from mayors, because they are usually very busy and anticipate that the first contact will be initiated by their CSS;
- Increase of trust of mayors to use the CSS that was enhanced also thanks to help with project proposals that, if accepted, brought funds and investments and, as such, more solid and tangible benefits to participating municipalities; trust was also increased when mayors were provided with contacts on experts that could help them (e.g. contacts on a designer, lawyer);
- A service-based approach to clients that then can feel that CSSs try to be responsive; and
- Sustainability of the project after financial support finishes, and after one year of sustainability anticipated in the contract between individual CSSs and the SMOČR.

As the CSS project is ongoing, it is too early to evaluate the results. Nevertheless, David Sláma, the Head of the Department for Strategic Development and Coordination of Public Administration of the Ministry of the Interior believes that the project has already helped small municipalities to save money on project management and public tendering, and has improved the quality of services, because the administrative capacity of small municipalities was not sufficient. However, he also noted that: 'There are some territories that are not completely homogeneous and where CSSs provide services to municipalities that are not around each other. I do not think it is completely correct. Our aim is to hold the intermunicipal collaboration within some borders, within territories of the ORPs.' Still, according to him, the project also helps other reforms – e.g. reforms of administrative segmentations in Czechia[22]. David Sláma and also Jaromír Jech pointed to the proposals for legislative changes that will help to use the potential of voluntary associations of municipalities in which the CSS was established. If approved in the legislative process, the changes would make it possible for municipalities to use a new form of intermunicipal cooperation - the so-called community of municipalities (´společenství obcí´) - which is expected in the territories of municipalities of extended powers (ORPs). The new amendments are supposed to come into force from 2021.

One of the CSS managers emphasised that, thanks to the project, relationships between their CSS and municipalities had been strengthened: 'In 2013, when the previous MOS project started, we were at point zero and it was expected that our voluntary association would fall apart… Thanks to the MOS project and current CSS project, we proved to the mayors that we could prepare joint projects and get money for development of the territory. And this had increased their trust and intensified our cooperation. The CSS started mainly as an office for project administration and management. As the time flowed, we had become more specialised in public administration and at the present we helped them with preparation of contracts etc..'

Miroslav Boháček, the mayor of Bílovice and Svitavou, emphasised that employees of the CSS must be active and communicate to municipalities how they can concretely help them. Otherwise it may happen that municipalities will not support them in future. He noted: 'It is not easy in the case of our CSS and not as simple as we anticipated. There are a lot of municipalities involved of different sizes and it is sometimes not easy for them to agree on things to be arranged… and the territory has a crescent shape. Also, almost every municipality is a member of another voluntary association or a local action group that might serve them better. That is why they are not willing to pay more money. [Author's note: Voluntary associations of municipalities are funded especially by fees per capita – in some cases it is CZK 15, in other it may be higher, e.g. CZK 30 or 45.][…] And if the CSS is not so active and is focusing mainly on some projects that are relevant only to part of the municipalities involved, it is logical that other municipalities do not see any value added and may decide to leave the voluntary association.' This may be critical for future sustainability of the CSSs established.

The CSS project has been evaluated continuously, as required by the Ministry of Labour and Social Affairs, its managing authority, based on self-evaluation by individual CSSs and reported regularly to the SMOČR, using a special ICT-based tool. Employees of the CSS were also required to collect data on the satisfaction of mayors on a regular basis and to assess savings that their

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[22] The SRRVS and related implementation plan anticipate changes in the administrative segmentation and measures for streamlining of funding of state administration exercised by municipalities (including changes in state administration tasks of municipalities) - see Špaček (2019) for more information.

services produce for municipalities in their voluntary associations. The final evaluation report is under preparation.

Conclusion: results, lessons learned and the role of ESF financial support

Main results

The project anticipates that it will increase the efficiency of services provided by participating municipalities. Based on the internal evaluation made by the SMOČR, it was anticipated in March 2017 that, by the end of 2019, over 1,100 projects would be realised thanks to activities of the CSS that would improve the quality of life in small municipalities that are not able to deal with projects on their own.[23] The SMOČR also estimates that, in 2017, the CSS project saved over CZK 170 million to municipalities[24]. As of June 2019, 83 CSSs were offering and providing services to almost 1,700 municipalities[25].

Persons interviewed were mostly positive about the results of the project up to now. A manager of one of the CSSs (who wished to remain anonymous) emphasised that: 'It is definitely a great idea, because mayors of small municipalities are too busy and a more systematic help is contributing to them, relieving them' of the burden of duties. Jaromír Jech from the SMOČR concluded that the project had been contributing especially to the development of rural areas and could be used as a baseline for follow-up projects that can concentrate on local economies and provision of public services on behalf of municipalities.

David Sláma perceived the project as innovative and concluded that it would have impacts also for the future, because there has been no support in Czechia to solve problems related to high number of small municipalities by strictly top-down tools: 'And the project is the way to show municipalities that upon some agreement, it is possible to do things more efficiently.' He also noted that a similar approach could be found in the new strategy on public administration for the post-2021 period that is being prepared. Solving problems through agreements among municipalities was also emphasised by a project manager from the managing authority[26].

Employees of the CSS concluded that they had relieved mayors from some administrative burdens and mayors might benefit especially from the fact that voluntary associations can fulfill their tasks without larger funding from member municipalities. On the other hand, this questions the future sustainability of the project after the co-funding is finished and, if not supported by a different project, the existence of CSSs will have to rely on direct funding from municipalities.

CSSs were perceived as places where mayors can share their experiences, either bad or good, and where services are provided in a more comfortable way - and by people who are not perceived as bureaucrats from higher level authorities, but rather peers that try to help and listen. One of the CSS managers interviewed noted: 'In fact, we are an extended hand of the municipalities and their mayors. And this is not the case of public authorities from higher administrative tiers and the case of consulting companies.' Interviews with CSS employees suggest that the project has energised voluntary associations of municipalities that were not so active, stagnating or even collapsing. One of the employees of the CSSs interviewed concluded

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[23] SMOČR, 2017.
[24] SMOČR, 2018.
[25] Špaček, 2019a.
[26] Ministry of Labour and Social Affairs.

that 'Now it has been fired up and mayors have got used to our activities'. Also, trust of mayors was increased when the CSS succeeded with a project proposal that brought investments and produced more tangible outputs for municipalities. Still, every CSS may be different, and for this case study, only opinions of representatives of two CSSs were collected.

Miroslav Bohaček, the mayor of Bílovice nad Svitavou, partly confirmed positive opinions about results of the project. He highlighted especially the potential given by regular meetings of mayors for sharing practices: 'Many of the older mayors were of the opinion that in the time of district offices, they had opportunities to meet. After their abolition, regions were established, but opportunities for mayors to meet were almost lost and they meet only occasionally during events like a day of small municipalities. More regular meetings started especially with the MOS project and this was further enabled by the CSS project'. For the future of the project, he stressed the need to clarify more what CSSs can provide. This should balance somehow needs of municipalities on the one hand and the experiences and competences of employees of CSSs on the other. The project could also contribute to the needs of small municipalities more, for instance, by focusing activities more on what is required by law: 'We have municipalities with two or three employees that would welcome such services and even pay some money for outputs of which the compliance with law is guaranteed'.

Great potential was attributed to help with project management and administration and also to tasks related to GDPR activities of the CSSs, which are perceived as adding value. Joint activities that started to be realised during the former project (e.g. joint pre-school and primary education), and developed during the CSS project, can help in building the trust and partnership among municipalities too.

Questions remain as to what extent the existing CSSs cover the whole territory of the Czech Republic, and regarding the sustainability of the project, which are not concerns about money, but also concerns about how to keep experienced people – employees of the CSS of whom the competences have been developing during the project – in territories. Follow-up changes in legislation are anticipated that could help overcome this, but one cannot rely on the legislative process since its outputs are not always certain. That is also why employees of the CSSs were not completely clear about future scenarios of developments and the future clearly worried them. The future will be also determined by the speed of the legislative process – if there is a vacuum between the end of the CSS project and enforcement of new legislation. This may affect the motivation of people to work at CSSs and also the willingness of municipalities to fund activities of the CSSs established. As Jaromír Jech noted, 'mayors may not always be aware that decision-making of ministries is often not fast.' Also changes in municipal councils may determine the future support of similar projects. Yet the interviews did not indicate that changes after recent elections to municipal councils (organised in October 2018) have affected the relationships between mayors and CSSs. One of the CSS managers even noted that new mayors had been more cooperative and communicating with the CSS more intensively.

Lessons learnt

Although the interviews mostly suggested that the project had been successful so far, at the same time they also admitted that the way was not as straightforward and smooth as it could be anticipated in the beginning. The trust of mayors was perceived especially as a crucial factor in determining the further development of CSSs and their activities: 'At the beginning it may seem that they [the mayors] do not need us and they may think so until they find out that we can actually help them.' Some pointed to the over-ambitious list of services that are to be

provided to municipalities by the CSSs based on the contract with the SMOČR. Reality has always faced the level of experiences of CSSs´ employees. Jaromír Jech from the SMOČR emphasised that the project brought a lesson for the SMOČR itself that the association should not tackle municipalities in a top-down way, which was criticised by some municipalities. Instead, a service- and client-oriented approach should be followed and opinions from municipalities and their associations should be heard and monitored actively.

According to Jaromír Jech, the State should approach similar initiatives more systematically and take the lead in the future. The State should also have in mind that its central authorities - and especially the Ministry of the Interior - are primarily responsible for public administration as a whole. The academic interviewed stressed that responsible central authorities should be those who are directly dealing with similar projects – only in this way can project-based activities that can be successful, but are always limited by deadlines, be replaced by more systemic and long-term solutions of problems. According to Jaromír Jech, public administration reform should be also supported more by the Prime Minister (in a general meaning) and it would be beneficial, at least according to him, if it gets within his direct responsibilities also in order to overcome the still existing departmentalism on the central administrative level.

Role of ESF support

Thanks to the ESF support, the CSS project facilitates the transfer of responsibilities from small municipalities to their associations, and available information indicates that this can increase the efficiency of services provided by participating municipalities through these associations.

During the interviews, David Sláma and Jaromír Jech shared the same opinion that the ESF support was crucial for running the CSS project and also for future legislative changes on intermunicipal cooperation in Czechia. It covers 80% of the total project budget. Interviews clearly suggested that, without the ESF support, it would not be possible to set in motion the activities initiated and developed by the project. Jaromír Jech was of the opinion that, without the ESF support, the project would not have been launched, also because the State still does not fully understand that it is responsible for its public administration.

Project activities may help addressing issues of public procurement by small municipalities and, as such, help reducing the negatives of public tendering in Czechia as still criticised in the latest Country Specific Recommendations. Legislative changes that are now being suggested by the Ministry of the Interior based on the project are supposed to improve efficiency of service delivery at the local level in future. Although hard data are not available, the interviews indicate that efficiency of municipalities has been improved also thanks to sharing of good practice between DSOs and their municipalities. CSSs' employees sometimes also assist firms and entrepreneurs and, as such, the project can also contribute to reducing administrative burdens imposed on them.

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