



School of
Management and Law

The current State of the Municipalities in the Canton of Aargau - Findings from the 2017 Municipal Chancellor Survey



Building Competence. Crossing Borders.

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Commune Monitoring as a Database

- Survey of all Swiss municipal chancellors.
- Declaration date: 1 January 2017.
- 1,868 Swiss municipalities took part in the survey, corresponding to a response rate of 82.8 percent.
- In the canton of Aargau, 187 of the 213 communes took part in the survey (response rate = 87.8 percent).
- The study is limited to the political communes (resident communities).
- Comparable communal surveys were also carried out in 1988, 1994, 1998, 2005, and 2009/2010, thereby enabling longitudinal analysis.
- Managed by Prof. Reto Steiner (ZHAW) and Prof. Andreas Ladner (IDHEAP).

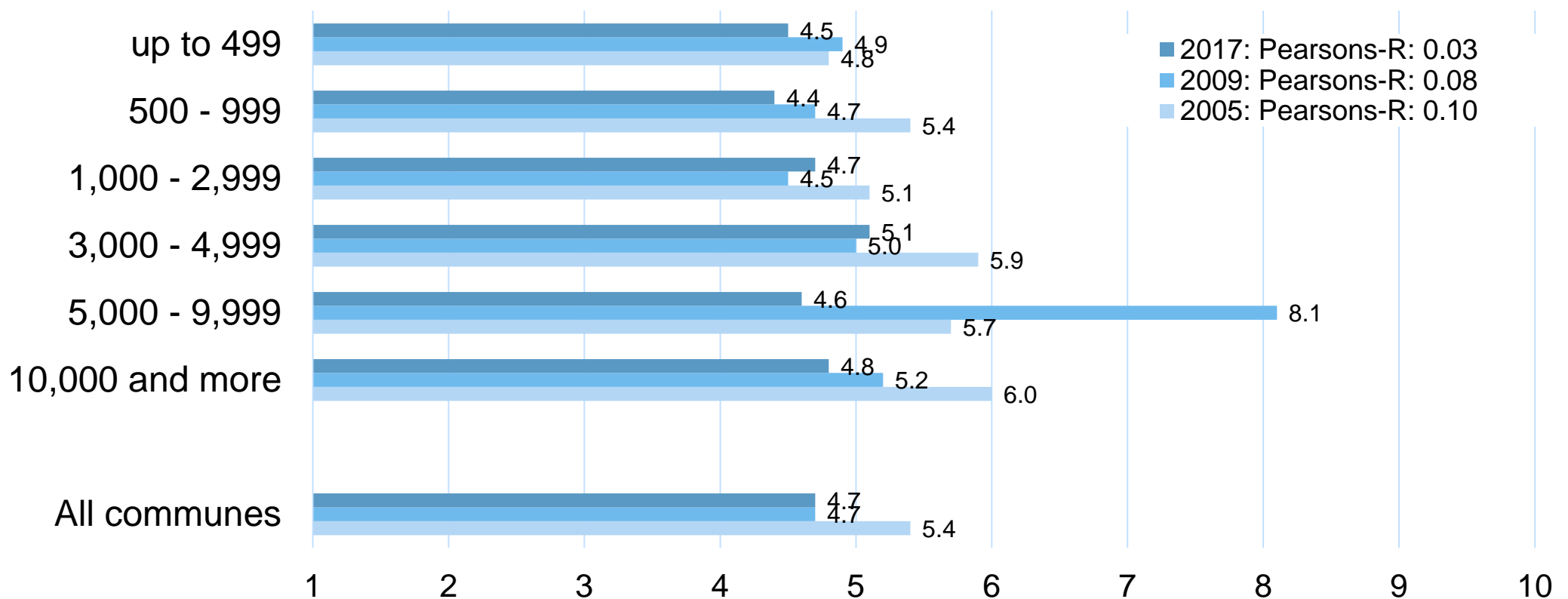
Communal Autonomy in the Municipalities of Aargau

- The communes of Aargau consider autonomy to be low to average.
- Compared to the last survey in 2009, this assessment has remained unchanged but compared to 2005, perceived autonomy has clearly decreased.
- Communal autonomy measured on a scale from 1 (no autonomy at all) to 10 (very high autonomy).

| Degree of Autonomy | | Canton Aargau | | |
|-----------------------|-----------|---------------|------|------|
| Year | | 2017 | 2009 | 2005 |
| 1-2 | Very low | 10.0 | 6.3 | 1.7 |
| 3-4 | Low | 37.8 | 43.3 | 33.7 |
| 5-6 | Average | 35.5 | 29.9 | 33.7 |
| 7-8 | High | 13.9 | 20.5 | 29.2 |
| 9-10 | Very high | 2.8 | 0.0 | 1.7 |
| Cantonal average | | 4.7 | 4.7 | 5.4 |
| No. of municipalities | | 180 | 127 | 181 |
| Swiss average | | 4.6 | 4.6 | 4.8 |

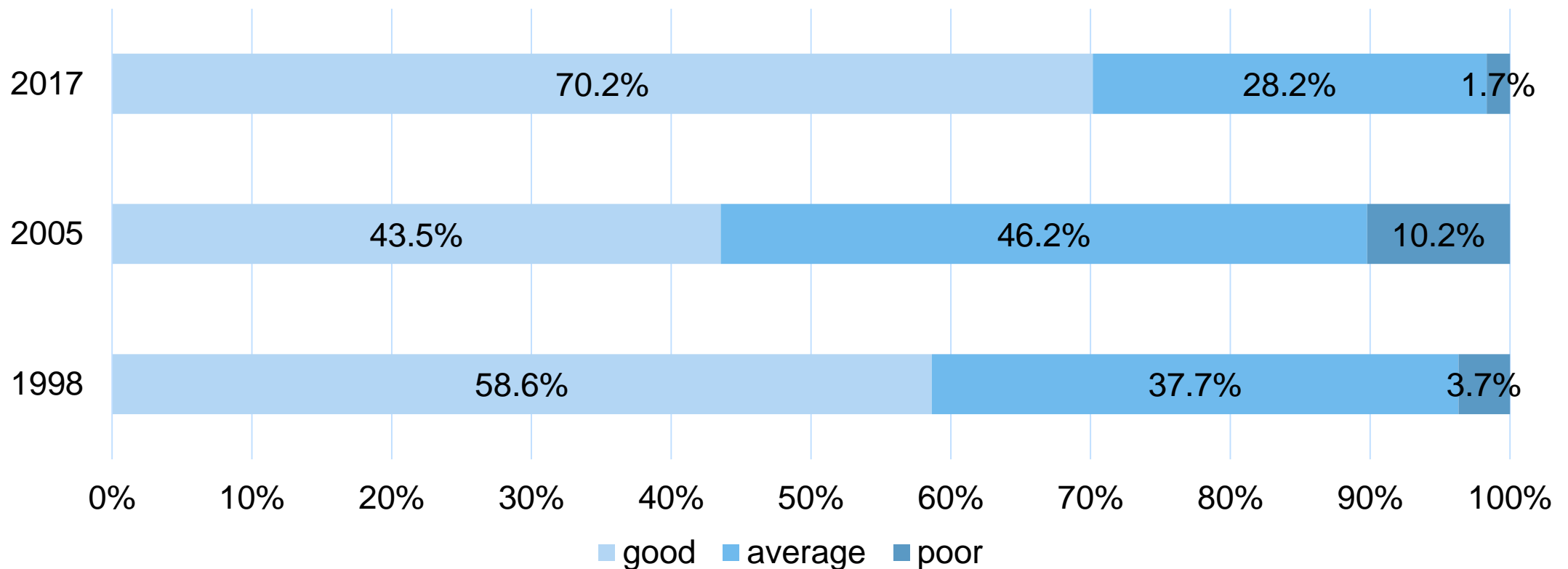
Communal Autonomy by Commune Size

- Municipalities with 500 - 999 inhabitants were estimated to have the least autonomy in 2017; municipalities with 3,000 - 4,999 inhabitants have the highest autonomy.
- However, there is no statistically significant correlation between the assessment of communal autonomy and the size of the commune.



Cooperation With the Canton

- Cooperation with the canton is regarded as positive by most communes.
- Compared to the earlier surveys, this is judged to have improved significantly.



Affect of Social Developments

- Aargau municipalities were asked how strongly they were affected by various social developments.
- Based on that a "concern index" was formed (weighted average of the answers "severely affected" and "partially affected").
- According to this concern index, Aargau municipalities are most affected by
 - trends in the number of recipients of social assistance (0.62)
 - accommodation for asylum seekers (0.55)
 - the problem of unpaid taxes (0.54)
 - an aging population (0.50)
 - road traffic (0.49)
 - the integration of foreign nationals (0.42)

Efficiency of Aargau Municipalities

- According to their own assessment, Aargau municipal authorities perform at a very high level.
- Depending on the task, however, these assessments vary.
- Aargau municipalities are most likely to reach the limit of their performance when managing social assistance and the care of asylum seekers.
- This is followed by municipal administration as a whole, the municipal executive, the financial administration, the approval of building applications, and spatial and zone planning.
- Compared to 2009, the performance of Aargau municipal authorities has declined on average according to their own assessment.

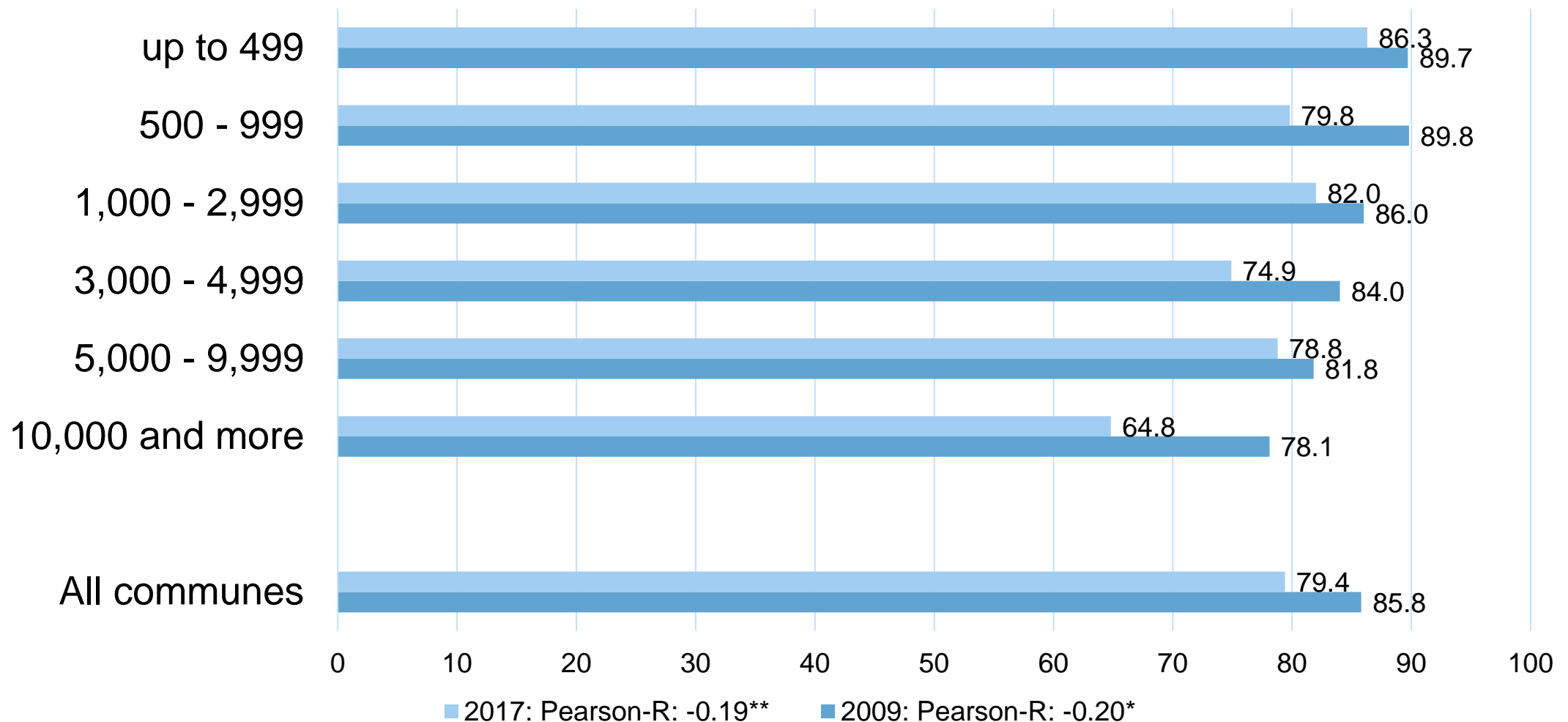
Performance Limits of Aargau Municipalities by Sector

- Compared to the whole of Switzerland, the municipalities of Aargau in 2017 reached their performance limits at about the same levels.

| Sector | Aargau | | Switzerland | |
|----------------------------------|--------------------|-------------|--------------------|-------------|
| | No. of communes | in % | No. of communes | in % |
| Social | 26 | 13.9 | 180 | 9.9 |
| Education | 24 | 13.0 | 213 | 11.7 |
| Culture | 11 | 5.9 | 119 | 6.6 |
| Infrastructure | 21 | 11.4 | 227 | 12.5 |
| Security | 15 | 7.9 | 179 | 9.9 |
| Government and Administration | 34 | 18.5 | 303 | 16.7 |
| Business Development | 13 | 7.1 | 154 | 8.5 |
| Average | 20 | 11.1 | 196 | 10.8 |

Comparison of Performance Limits by Size of Commune

- Smaller municipalities tend to reach their performance limits somewhat more frequently than medium-sized municipalities and cities.



Temporal Development of Performance Limits

- The perceived performance limits of Aargau municipalities are at a similar level to 2005, but compared to 2009 they have increased.

| Year | 2017 | 2009 | 2005 | Δ 17-09 | Δ 17-05 |
|----------------------------------|-------------|------------|-------------|-------------|-------------|
| Social | 13.9 | 11.4 | 14.9 | +2.5 | -1.0 |
| Education | 13.0 | 7.4 | 15.9 | +5.6 | -2.9 |
| Culture | 5.9 | 3.3 | 3.3 | +2.6 | +2.6 |
| Infrastructure | 11.4 | 5.4 | 9.0 | +6.0 | +2.4 |
| Security | 7.9 | 4.9 | 15.6 | +3.0 | -7.7 |
| Government and Administration | 18.5 | 10.5 | 12.7 | +8.0 | +5.8 |
| Business Development | 7.1 | 4.3 | 11.9 | +2.8 | -4.8 |
| Average | 11.1 | 6.7 | 11.9 | +4.4 | -0.8 |

Efficiency of Aargau Municipalities

- Improvements were made in Aargau municipalities, especially in the following areas:
 - the care of drug addicts, and
 - youth work.
- At the same time, municipalities often reach their performance limits in the following areas in particular:
 - Social assistance
 - Support for asylum seekers
 - Financial management
 - Public transportation
 - Water supply
 - Public buildings
 - Waste water / sewers

Size of the Commune Administration

- The core administration of an average Aargau commune has seven employees (median).
- This figure is slightly higher than the Swiss average of five employees.

| Commune Administration in the Literal Sense | Canton Aargau | | Switzerland | |
|--|--------------------|-------|--------------------|-------|
| No. of employees | No .of communes | in % | No. of communes | in % |
| Fewer than 5 | 64 | 37.6 | 781 | 46.4 |
| 5 – 9 | 36 | 21.2 | 357 | 21.2 |
| 10 – 19 | 32 | 18.8 | 189 | 11.2 |
| 20 – 49 | 26 | 15.3 | 165 | 9.8 |
| 50 – 99 | 7 | 4.1 | 81 | 4.8 |
| 100 and more | 5 | 2.9 | 110 | 6.5 |
| All communes | 170 | 100.0 | 1,683 | 100.0 |
| Average | 17.0 | | *43.5 | |
| Median | 7.0 | | 5.0 | |

Development of the Commune Administration

- In almost two thirds of municipalities, the number of staff in the core administration has increased over the last ten years.
- This trend can also be observed throughout Switzerland.

| Commune Size | 2017 | | | 2009 | | |
|-----------------|----------|-----------|----------|----------|-----------|----------|
| | Increase | Unchanged | Decrease | Increase | Unchanged | Decrease |
| up to 499 | 33.3 | 53.3 | 13.4 | 22.2 | 77.8 | 0.0 |
| 500 – 999 | 50.0 | 29.2 | 20.8 | 45.8 | 41.7 | 12.5 |
| 1,000 – 2,999 | 60.0 | 28.0 | 12.0 | 48.2 | 44.4 | 7.4 |
| 3,000 – 4,999 | 71.9 | 21.9 | 6.2 | 63.6 | 27.3 | 9.1 |
| 5,000 – 9,999 | 95.8 | 4.2 | 0.0 | 85.7 | 0.0 | 14.3 |
| 10,000 and more | 100.0 | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 |
| Aargau communes | 65.0 | 24.8 | 10.2 | 55.0 | 36.5 | 8.5 |
| Swiss communes | 60.2 | 30.5 | 9.3 | 53.2 | 36.5 | 10.3 |

The Distribution of Management Tools

- A small number of communes in Aargau is managed comprehensively (2.2%) or partially (33.9%) according to the principles of public management.
- However, individual management instruments and company reform measures are widespread.

Instrument

Distribution (in percent)

> 5 years

< 5 years

Not used

Aborted

Outsourcing

64.1

22.7

12.6

0.6

Legislative planning

63.8

17.5

16.4

2.3

Integrated tasks and finance plan

56.3

23.9

19.8

0.0

Guiding principles

53.6

15.1

27.9

3.4

Performance-related
remuneration

38.0

10.1

48.5

3.4

Controlling

36.0

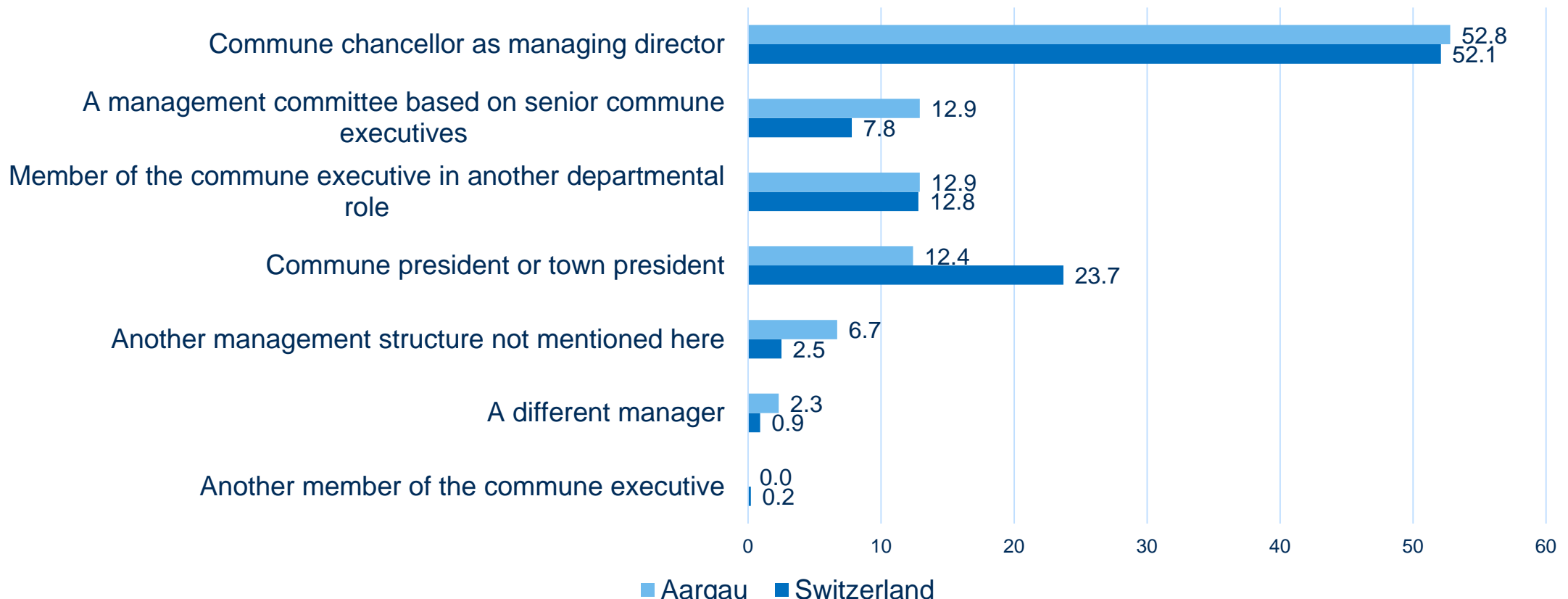
37.1

25.8

1.1

Organizational Structure of the Communes

- Almost all municipal executive bodies in Aargau - as well as in Switzerland - are organized according to a departmental system.
- In about half the municipalities, the municipal chancellor (“Gemeindeschreiber”) is in charge of administration.
- In cities, it is often the president or other members of the executive who manage the administration.



Reform Activity at Executive Level

- While around one in six Swiss municipalities has reduced the size of its executive, this trend is barely noticeable in Aargau communes.
- At the same time, two thirds of the municipalities in Aargau and in Switzerland as a whole have increased remuneration for municipal executives.

| Sector / Reform | | Canton Aargau | | Switzerland | |
|------------------------------------|----------------------|-----------------|-------|-----------------|-------|
| | | No. of communes | in % | No. of communes | in % |
| Reduction of executive | > 5 years ago | 0 | 0.0 | 198 | 11.3 |
| | < 5 years ago | 4 | 2.3 | 91 | 5.2 |
| | No | 173 | 97.7 | 1,432 | 81.7 |
| | Unsuccessful attempt | 0 | 0.0 | 32 | 1.8 |
| No. of cases | | 177 | 100.0 | 1,753 | 100.0 |
| Higher remuneration for executives | > 5 years ago | 35 | 19.9 | 358 | 20.5 |
| | < 5 years ago | 80 | 45.4 | 745 | 42.5 |
| | No | 60 | 34.1 | 626 | 35.7 |
| | Unsuccessful attempt | 1 | 0.6 | 23 | 1.3 |
| No. of cases | | 176 | 100.0 | 1,753 | 100.0 |

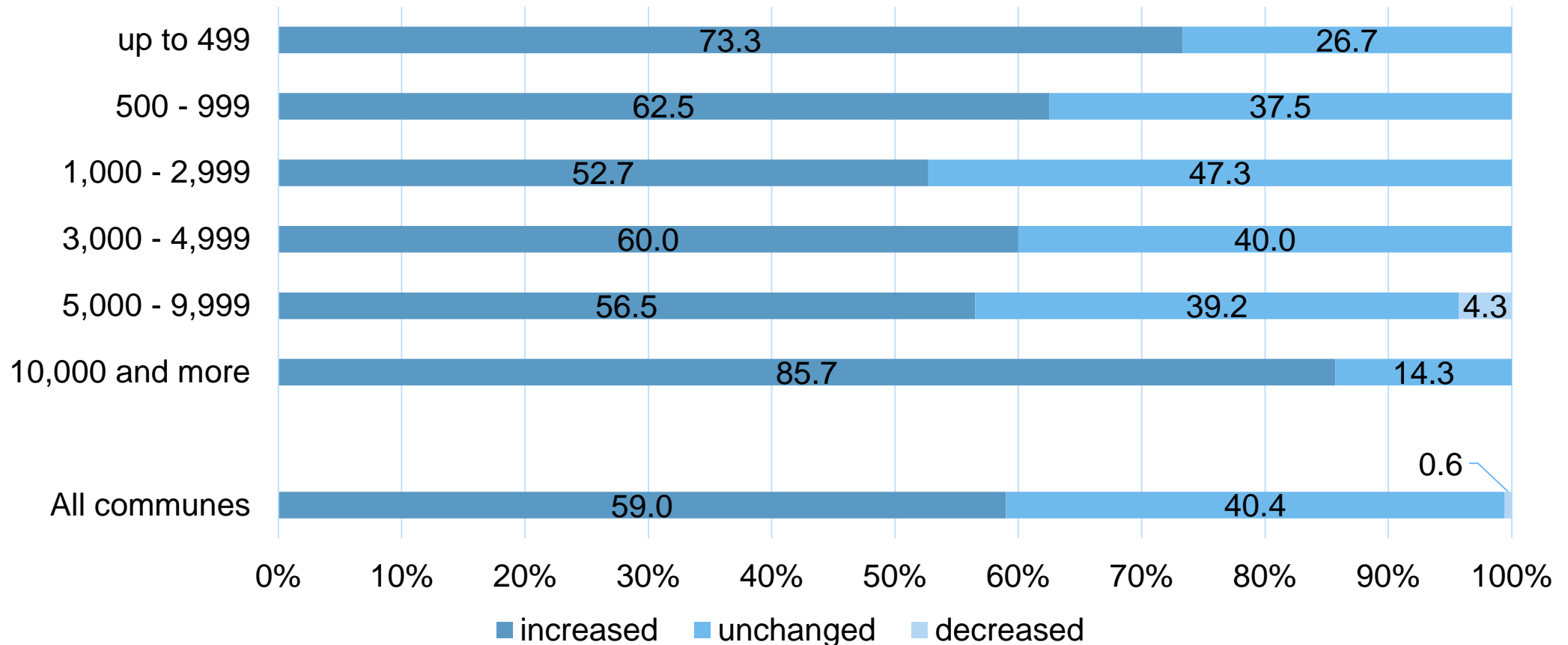
Who are the Commune Executives in the Canton of Aargau?

- 55 years old - only 15% younger than 45.
- 28% female, only 15% of whom are mayors.
- 79% are married, 83% have children.
- 36% have a university degree.
- 44% are self-employed or senior executives.
- 60% have lived in the community for longer than 20 years.
- 78% are members of at least one club or society.
- 46% are party-independent - and therefore the "largest" group.
- politically located at 5.8 according to self-assessment (0=left-wing; 10=right-wing).

Source: Executive Survey 2018 (not yet published)

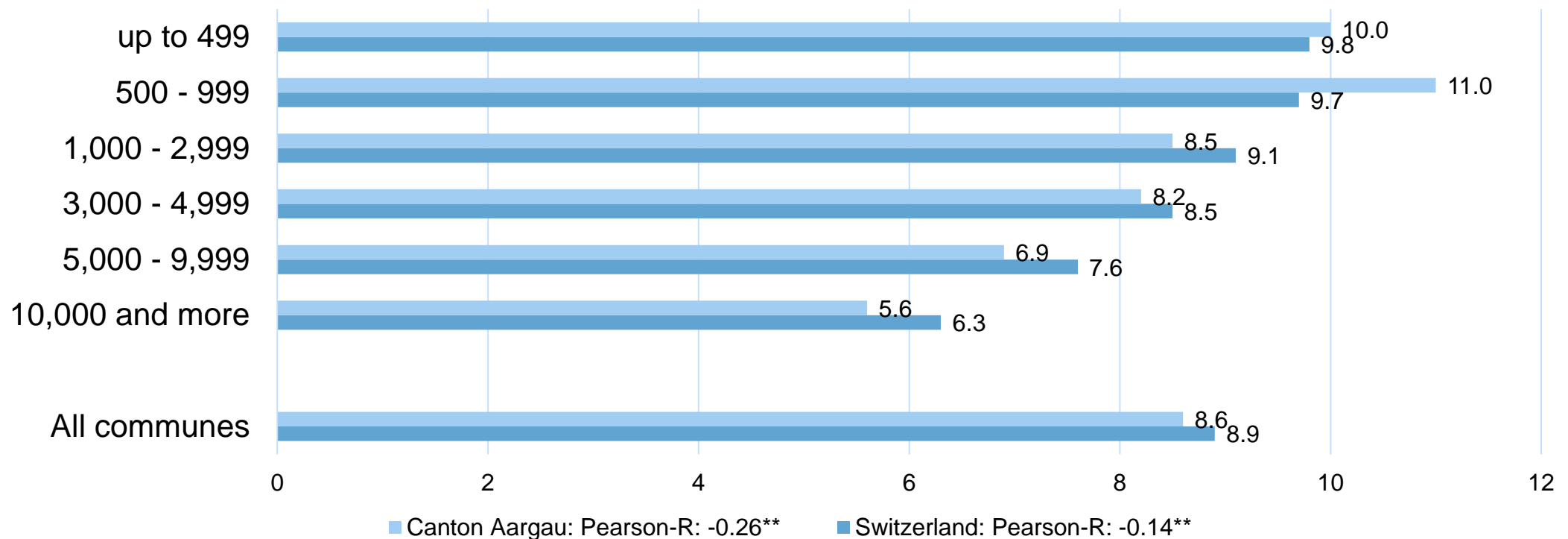
Cooperation with Other Municipalities

- The expansion of intermunicipal cooperation (IMC) is continuing in the canton of Aargau: Around three out of five municipalities have increased their IMC; in two out of five municipalities it has remained unchanged.
- The situation is comparable to that in Switzerland as a whole.



Intermunicipal Cooperation (IMC) by Size of Municipality

- Smaller municipalities tend to cooperate with other municipalities in more areas of responsibility.
- Compared to Swiss municipalities as a whole, intermunicipal cooperation is slightly below average in the canton of Aargau.



The number of areas with IMC.

Discussions About Municipal Amalgamation Reforms

- Between 2010 and 2017, around two out of five municipalities in Aargau discussed a possible amalgamation with one or more neighboring municipalities.
- This is slightly below the national average.

| Discussion About Merger? | Aargau | | Switzerland | |
|-----------------------------|--------------------|-------|--------------------|-------|
| | No. of communes | in % | No. of communes | in % |
| Yes | 78 | 43.3 | 880 | 48.8 |
| No | 102 | 56.7 | 923 | 51.2 |
| No. of cases | 180 | 100.0 | 1'803 | 100.0 |

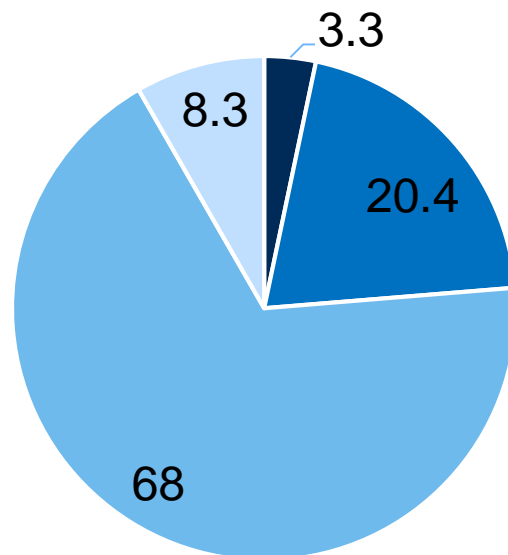
Amalgamation Reform Discussions by Size of Municipality

- Most frequently, amalgamations were discussed in small municipalities as well as in cities.

| Merger Discussions | Yes | | No |
|--------------------|--------------------|------|-----|
| | No. of communes | in % | |
| up to 499 | 9 | 60.0 | 15 |
| 500 – 999 | 12 | 50.0 | 24 |
| 1,000 – 2,999 | 28 | 37.3 | 75 |
| 3,000 – 4,999 | 17 | 48.6 | 35 |
| 5,000 – 9,999 | 8 | 33.3 | 24 |
| 10,000 and more | 4 | 57.1 | 7 |
| All communes | 78 | 43.3 | 180 |

Desired Role of the Canton in Municipal Amalgamation Reforms

- More than two-thirds of Aargau communes would like to see the canton act primarily as an advisor and supporter in amalgamation reforms.
- One fifth of the respondents advocated gentle pressure from the canton, for example, by means of a financial incentive system for municipal amalgamations.
- The options of a passive role for the canton and the possibility of forced amalgamations are much less frequently mentioned.



- Active – with possibility to force merger
- Gentle pressure (e.g., financial incentive)
- Advice and support (on request)
- Nothing to do with the canton

Key Findings

- Communal autonomy assessed as low to mediocre.
- Cooperation with the canton is positive.
- Performance level in municipalities is quite high according to self-assessment, but municipalities increasingly tend to reach their performance limits.
- Increase in the number of staff employed by local authorities.
- Numerous individual management instruments or operational reform measures, but hardly any comprehensive "public management."
- Organization of the municipal executive largely according to department or departmental system.
- Administrative management often assumed by municipal chancellors.
- Intermunicipal cooperation continues to grow.
- More than two out of five Aargau municipalities have discussed amalgamation reforms.
- Advisory role by the canton in amalgamation reforms is desired.

Trends in Switzerland - The current State of the Municipalities in the Canton of Aargau

- **Principle:** Approaches to a stronger separation between the strategic and the operational level, as well as professionalization - opportunities as well as risks for autonomy.
- **Design of administration:** Managing role of municipal chancellor, management, consistent consideration of digitization in the provision of services with effects on the organization (and its size).
- **Executive structure:** Job percentages for the municipal executive with appropriate remuneration, reduction, relaxation of residence obligation.
- **Instruments:** Use of supporting management instruments such as social media, population surveys, intermunicipal cooperation/ risk management, balanced scorecard.