ACCOUNTABILITY IN MUNICIPALITY-INSTITUTION RELATIONS

An examination of accountability relations between the municipality of Hengelo and local public institutions

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SUMMARY

The problem that is researched in this master thesis is the lack of knowledge about the organisation of accountability between the municipality of Hengelo and different local public institutions, in the context of the different tasks, roles and interests the municipality represents. It is researched what aspects play a role in the organisations of accountability between the municipality of Hengelo and different institutions in the public domain, and how these aspects relate to each other.

The core of the concept of accountability is that accountability is a mechanism that organises delegations of power over a certain domain from a principal to an agent, in which the agent has the obligation to give account of his conduct to the principal and where the principal has the right to sanction the agent when the agent fails to inform and/or explain or justify his decisions. The content of accountability regards the domain of an accountability relation and the expectations by the principal regarding the duties of the agent in the domain (how and what). These expectations are determined by a normative conception of legitimate behaviour of the agent by the principal, which are grounded in different legitimacy claims. The context of an accountability relation is determined by the different types of power sources that are available to a principal. The availability or absence of formal-, economic, or knowledge power sources determines the extent to which a principal can 'rule' over an agent. There may, however, be other principals that also have a certain power over the agent. This complicates and influences the process of accountability between the municipality and an institution. The process of accountability involves different steps. Within these steps, different communications between the principal and the agent shape the accountability relation. The content and context of a relation converge into a process of different steps that together constitute an accountability relation.

For the research, a comparative case study design is chosen. Five (semi-)public institutions are selected. In order to increase reliability and validity, document analyses as well as in-depth interviews are used as methods of data-collection. Regarding the operations for the variables content, context and process of accountability and their different dimensions, it is shown the three variables are interrelated and it requires a certain level of flexibility to fine tune the operation to the specific case.

In the relationships between the municipality of Hengelo and different public institutions, the content of an accountability relation is often shaped by a mixture of different expectations and aims. Regarding the creation of content, five things are striking: there can be different levels of specificity of expectations; there can be internal policy competition problems; there can be external policy competition problems; the determination of content may be disconnected; and finally, formalised and informal expectations may be disconnected. Different contextual aspects play a role in the different cases. In the case of Stadsbank Oost-Nederland (SON), the municipality holds an extent of formal and economic power over SON. However, due to the participation in the joint regulation, a large part of the power has to be shared with the other participating municipalities, creating in interdependence relation to these municipalities. Furthermore, the specificity of the tasks executed by SON and the fact that an exit option is not an obvious option, a makes the municipality relatively dependent on SON for the execution of their formal debt assistance tasks. In the case of Ziekenhuisgroep Twente (ZGT), the municipality is in a dependent rather than a powerful position towards ZGT, which makes it difficult to speak of a real principal-agent relation. The relation between the municipality and CREA is rather hierarchical, based on the economic power the municipality can exert on CREA. Finally, the relation between Primato and the municipality is multifaceted, based on the different formal and economic sources of power and different hierarchical positions. In the accountability relations between the municipality of Hengelo and different public institutions, the process of accountability is ongoing. This means there is not an actual process with an assignable beginning or ending in which content and context are 'determined'. Rather, it is a cycle of adjustment and reassessment. Second, accountability takes place on different levels and in different timespans. Third, there might be a disconnection between the content of an accountability relation and the process of accountability. Fourth, difficulties are perceived regarding the different organisational layers in relation to the process of accountability. Finally, there is a problem of the so-called role perception.

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FOREWORD

This is a report on the master thesis I have executed in the light of the completion of my master study in public administration. In the period of November 2013 to November 2014 I attended an internship at the municipality of Hengelo. Within the internship, I conducted a research after the organisation of accountability between the municipality of Hengelo and local public institutions. Although the process of the master thesis has sometimes been a bit of a bumpy road, the thesis project has been an informative and challenging, as a result of the great applicability and the level of abstraction of the subject. I hope the research can be valuable for the municipality of Hengelo.

I would like to thank the people of the 'stafondersteuning' section of the municipality of Hengelo for their cooperation during the internship. During the internship, I have experienced the activities of the stafondersteuning to be very interesting and informative. Furthermore, I would particularly like to thank anyone who has contributed to the master thesis by being an informant, interviewee, sparring partner or by contributing to the thesis in any other way. Special thanks goes out to the the examination board, consisting of dr. Pieter-Jan Klok (first supervisor) and prof. dr. René Torenvlied (second supervisor) by the department of Public Administration of the University of Twente and drs. Diele Biemold and drs. Ruud Molenkamp by the municipality of Hengelo. I would like to thank them for their valuable suggestions, feedback and support.

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1. RESEARCH AIM

This master thesis regards accountability between the municipality of Hengelo and local public institutions. The thesis is commissioned by the municipality of Hengelo. The aim of the master thesis is to get a better insight in the aspects that influence accountability between the municipality and these institutions.

The master thesis is conducted in the context of the project called 'Hengelo, why?'. In this project, the municipalities' role in local society is rethought and the 'purpose for which the municipality is put on earth' is addressed. The project was proposed in order to prepare the municipality for challenges of the (near) future. Two general societal developments are observed, which triggered the municipality to rethink their role in future local society. First, decentralisations in the social policy domain lead to an increase of tasks for municipalities and second, a general trend of changing expectations for government, by citizens as well as by (semi-)public and private organisations, is observed. These expectations regard calls for effectiveness, efficiency and responsiveness. The expectations often exceed the formal responsibilities of the municipality, for instance regarding the quality of healthcare and education (VNG, 2014).

The 'Hengelo, why?' project was initiated in order to anticipate to these trends. The goal of the project is twofold. First, the municipality wants to develop a vision regarding the internal development of the municipal organisation and second, the municipality wants to develop a vision regarding the future role of the municipality in the local society of Hengelo. In the context of the latter aim, this master thesis is written. The aim to research the future role of the municipality in local society is further specified into the matter of how the municipality and institutions in the public sphere relate to each other. In the light of the aforementioned developments, the questions 'who is to do what and/or who is responsible for it?' become relevant. In this sense, the research problem becomes a problem of accountability.

The research has an explorative and descriptive character. The municipality wants to use the outcomes of the research as a basis for a broad discussion on the organisation of 'shared accountability' between the municipality and local public institutions, and the role the municipality plays in this matter.

2. PROBLEM DEFINITION

The problem that is researched, as raised in the research aim, is as follows: there is a lack of knowledge about the organisation of accountability between the municipality of Hengelo and different local public institutions in the context of the different tasks, roles and interests the municipality represents. The municipality faces tensions between their different roles as a formal-hierarchical authority, a business-like principal and a cooperative network partner. Whereas in the traditional structures of a bureaucratic environment, it is clear 'who is to do what' and 'who is responsible for it', in the light of the aforementioned developments, the lines of tasks, roles and responsibilities have become blurred. In this sense, the research problem becomes a problem of accountability.

Accountability is a term for the way account is given over a certain domain of tasks and responsibilities. Within accountability, three issues are important. First, it is important to know what the domain, tasks or responsibilities subject to accountability is; or what accountability is 'about'. This issue is approached as the *content of accountability*. Second, it is important to know why accountability exists, what the structural factors are that determine accountability. This issue is approached as the *context of accountability.* Third, it is important to know how an accountability mechanism works; what actually happens when account is given. This issue is approached as the *process of accountability.*

In the organisation of accountability between the municipality of Hengelo and different local public institutions, it is unknown what aspects of these issues play a role and how these issues relate to each other. Therefore, the research question, for which an answer is searched, is as follows:

In relationships between the municipality of Hengelo and institutions in the public domain, what aspects play a role in the organisation of accountability, and how do these aspects relate to each other?

And the following sub questions:

- *Theoretically, which aspects regarding content play a role in accountability relations?*
- *Theoretically, which aspects regarding context play a role in accountability relations?*
- *Theoretically, how do the aspects regarding content and context relate to the process of accountability?*
- *Empirically, which aspects regarding content play a role in the process of accountability between the municipality of Hengelo and different public institutions?*
- *Empirically, which aspects regarding context play a role in these processes?*
- *Empirically, how do the aspects regarding content and context relate to the process of accountability?*

3. THEORETICAL FRAMEWORK

In this chapter, theoretical foundations for conceptualisations of the different concepts under study are sought. The concept of accountability can be interpreted in various ways. Therefore, different aspects of the concept are approached separately. These different parts are the content and context of accountability and the process of accountability. First, the content part is used to approach accountability in terms of 'what an accountability relation is about'; about which domain of task or responsibilities the relations are and what the expectations regarding this domain are. Second, the context part is used to approach accountability in terms of the contextual factors that influence a municipality-institution relation and the way accountability is organised. Third, having described the underlying concepts in which an accountability relation is embedded, the process-component is used to approach accountability in a descriptive manner. This process-approach is used to describe different steps or phases that take place in the process of accountability and the way they are related to the content and the context of accountability. First and foremost, however, the concept of accountability is expounded in order to grasp what it means to be accountable, act accountable or be held accountable.

3.1   The concept of accountability

Before accountability in municipality-institution relations can be approached from different angles, first, a closer look at the concept of accountability is provided. Accountability is a concept that can be interpreted in various ways. It has a long tradition in financial accounting, political science and law. Nowadays, accountability is a concept that has many shapes and sizes and therefore it is rather ambiguous (Bovens, 2003). Due to the fact that the term accountability is applied to different contexts, it has become a term standing for any mechanism that organises responsiveness of powerful institutions (Brandsma & Schillemans, 2012). Next, accountability is often interpreted in a normative way, seeing being or acting accountable as a virtue, a symbol for 'good governance', both in the public and in the private sector (Bovens, Schillemans, & 't Hart, 2008).

Thus, in current literature, there is no single unequivocal meaning to the concept of accountability, since different conceptualisations of the term apply to different settings. If one wants to capture a general concept of accountability, one will have to 'move up the ladder of abstraction'. This means the definition of the concept is made less specific in order to increase the applicability to different settings (Lindberg, 2013). In abstract terms, the concept of accountability is linked to power, authority and legitimacy. Accountability is a mechanism that organises delegations of power. A delegation of power is no more one entity (a principal) giving another entity (an agent) the right to act on his or her behalf. These delegations of power are needed in order to increase the effectiveness of governance (Van Kersbergen & Van Waarden, 2004). Delegations of power are found in every part of society. In a sports association, the members assign their executive committee; in a public limited company, shareholders assign an executive board; and in a democratic system, citizens choose their representatives in parliament. When decision-making power is delegated from the so-called *principal* to the so-called *agent*, there must be a mechanism in place for holding the agent accountable for his decisions and prevent the principal from power-abuse (Lindberg, 2013). Different societal spheres have developed different ways of organising these sorts of mechanisms (Van Kersbergen & Van Waarden, 2004).

Lindberg (2013) expounds a general concept of accountability into five elements that should be included in any form of accountability. First, there is an agent or institution that is to give account. Second, there is an area, responsibilities, or domain subject to accountability. Third, there is a principal to whom the agent is to give account. Fourth, there is the right of the principal to require the agent to inform and explain or justify his decisions with regard to the domain; and fifth, there is the right of the principal to sanction the agent if the agent fails to inform and/or explain/justify decisions with regard to the domain.

These conditions implicate that in an accountability relation between two entities, an identifiable person, group or institution (agent) must have some discretionary power over a certain domain, over which the agent has to

give an account. Next, there is another identifiable person, group or institution (principal) that has the right to require the agent to explain and justify his decisions and acts within the discretion of the domain. Finally, the principal has the right to sanction the agent if the request to inform and/or explain/justify is not satisfied. This latter condition has another implication. The right of the principal to sanction failures by the agent implicates that there is a set of criteria that defines accountable behaviour or 'good governance'. Without expectations regarding the agent's duties in the domain, accountability is impossible. This furthermore implicates that these expectations are translated into standards which are measureable and there is some form of evidence of accountable behaviour (Lindberg, 2013). Thus, next to the five elements described before, sixth, there are expectations by the principal regarding the duties of the agent in the domain; and seventh, there is a measurable account of the behaviour of the agent regarding these expectations.

These seven conditions capture the core of the concept of accountability, but still leave room for various interpretations. Lindberg (2013) makes the remark that there are some considerations to be made at these elements of the concept of accountability. First, it should be noted that the conditions do not necessitate any formal codified institution. Accountability may be completely informal. In this sense, accountability relations can be applied to many social relations. Second, accountability is inherently linked to power. Every use of the term accountability assumes a certain measure of authority, or responsibility, attributed to an individual, group, or institution (Lindberg, 2013). This does not, however, have to be political power. It can, for instance, be parental, organisational, informal or political power. Accountability that is concerned with political or public authority is often referred to as public accountability. When referred to in the meaning of political authority, publicness of accountability adds another dimension to accountability, as it should enhance democratic control: being accountable to the public. Public accountability is seen as a cornerstone of democratic systems, 'a precondition for the democratic process to work' (Bovens et al., 2008, p.231).

Condition	Description
Agent	An agent or institution who is to give account
Principal	A principal to whom the agent is to give account
Domain	An area, responsibilities, or domain subject to accountability
Rights	The right of the principal to require the agent to inform and explain or justify his decisions with regard to the domain; The right of the principal to sanction the agent if the agent fails to inform and/or justify or explain decisions with regard to the domain
Expectations	There are expectations by the principal regarding the duties of the agent in the domain
Account	There is a measurable account of the behaviour of the agent regarding the domain and the expectations

TABLE 1: ACCOUNTABILITY CONDITIONS

Concluding, the core of the concept of accountability is that accountability is a mechanism that organises assignations of power over a certain domain from a principal to an agent, in which the agent has the obligation to give account of his conduct to the principal and where the principal has the right to sanction the agent when the agent fails to inform and/or explain or justify his decisions (Lindberg, 2013). Table 1 gives an overview of the conditions that together constitute an accountability relation between a principal and an agent.

3.2   The content of accountability

In the previous section, the general conditions for any accountability relation have been explicated. If one wants to know what accountability means in municipality-institution relations, one has to 'move down the ladder of abstraction' again and try to make the concept more tangible. This means we will look for conditions defining accountability in the setting of municipality-institution relations. In this section, it is tried to make clear what it is

the principal (municipality) holds the agent (institution) accountable for. When the principal delegates discretionary power to an agent, the principal has certain ideas about what the agent is to do and how he is to do it. Thus, the content of accountability is determined by the domain of accountability and the expectations by the principal regarding the duties of the agent in the domain. Where the domain refers to area over which the agent has discretionary power (what), expectations refer to the way the agent is expected to use its power (how). The domain of accountability and the expectations by the principal, however, are inherently intertwined. For instance, the condition in a municipality-school agreement 'the school must have a bicycle shed' is in fact an expectation, but it also specifies the domain of accountability. The function of accountability is to ensure the agent's conduct is in line with the expectations by the principal regarding the agent's duties in the domain.

The expectations by the principal are a result of the principal's conception of 'good governance'. The principal has certain ideas of how the agent should behave with regard to the domain of accountability. When the agent complies with the expectations by the principal, the principal is convinced the agent has not misused its discretionary power, and has therefore acted legitimately. In this sense, the expectations by the principal can be seen as claims to legitimacy. Legitimacy means social credibility and acceptability: 'a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions' (Black, 2008, p. 144). Legitimacy is not a fact, but a socially constructed concept, and therefore the expectations by the principal are normative. They depend on the principal's conception of legitimacy. People can have different reasons for conceiving behaviour as legitimate.

Black (2008) distinguishes between four different types of reasons for conceiving the behaviour of an agent as legitimate. These can be called legitimacy claims, in which expectations regarding the conduct of the agent in the domain can be grounded. First, *constitutional claims* refer to legality. They 'emphasise conformance with written norms [laws, soft-law, generalise written norms] and conformity with legal values of procedural justice and other broadly based constitutional values such as consistency, proportionality and so on' (p. 146). Central to accountability, in the eyes of the adherents of constitutional claims, is the assurance of conformity with legal values in order to withstand the ever-present tendency toward power abuse (Bovens et al., 2008). Second, *justice claims* 'emphasise the values or ends which the organisation is pursuing, including the conception of justice [just, true, right], but also more prosaically goals such as sustainable development or free trade' (Black, 2008, p. 146). Third, *functional* or performance based legitimacy claims 'focus on the outcomes and consequences of the organisations […], and the context to which it operates in conformance with professional or scientific norms, for example' (p. 146). According to Martin and Kettner (1997), the major contemporary functional claims on public accountability are efficiency, quality and effectiveness. Fourth, *democratic claims* 'are concerned with the extent to which the organisation or regime is congruent with a particular model of democratic governance' (Black, 2008, p. 146). In this view, the essence of accountability is to control and legitimize conduct of public organisations through linking them to 'the democratic chain of delegation' (Bovens et al., 2008).

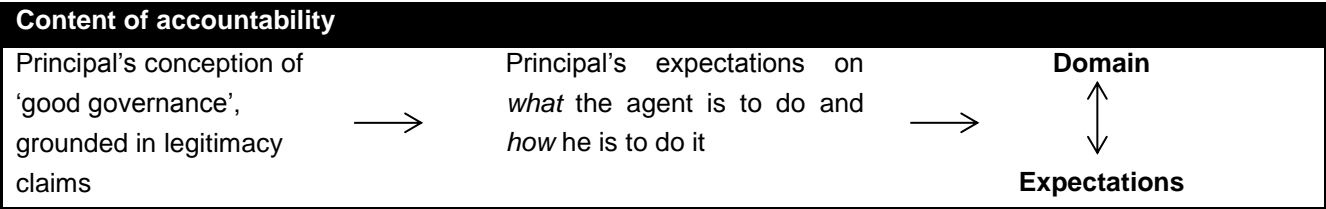| Content of accountability		
Principal's conception of 'good governance', grounded in legitimacy claims $\longrightarrow$	Principal's expectations on *what* the agent is to do and *how* he is to do it $\longrightarrow$	**Domain** $\updownarrow$ **Expectations**

TABLE 2: CONTENT OF ACCOUNTABILITY

Thus, the content of accountability regards the domain of an accountability relation and the expectations by the principal regarding the duties of the agent in the domain (how and what). These expectations are determined by

a normative conception of legitimate behaviour of the agent by the principal, which are grounded in different legitimacy claims (Table 2).

3.3   The context of accountability

In previous sections, the conditions that constitute an accountability relation and the content of accountability relations have been described. In this section, it is tried to describe the contextual factors that influence accountability between a principal and an agent. In any accountability relation, some sort of discretionary power is delegated from a principal to an agent. This discretionary power regards the domain of the accountability relation. The fact that this power is delegated implies the existence of some sort of hierarchical relation in which the principal can rule over the agent, at least to a certain extent, regarding the domain. In this section, it is described that the way an accountability relation is shaped is dependent on different types of instruments that are available to a principal. The availability or absence of these instruments determines the extent to which a principal can 'rule' over an agent.

Policy-makers have different means or policy-instruments for reaching their goals. These means can be divided into three main families or types. The three families are often addressed with the metaphors 'sticks', 'carrots' and 'sermons' (Table 3). First, sticks refer to juridical instruments that regard regulations, decrees, rules, instructions and laws. Violations of the rules lead to sanctioning, which are the so-called 'strokes with a stick' (Hoppe et al., 2008). Sticks can be used on the basis of legal power following the rule of law. Second, carrots refer to economic instruments. These instruments refer to the logic of incentives that are used to push the conduct of an actor in a certain way. Therefore, the actor is held a 'carrot' in order to move him in a certain direction (Hoppe et al., 2008). Carrots can be used following the 'who-pays-the-piper-calls-the-tune' logic of economic power. Third, sermons refer to the ways in it is tried to convince the actor to move in a certain direction. These instruments regard communication, information and education (Hoppe et al., 2008). Sermons can be used on the basis of knowledge, wisdom or professionalism. The stick is considered the most powerful tool, followed by the carrot and, third, the sermon (Hoppe et al., 2008). Traditionally, all these three families of policy instruments are assumed to be available to government, since it is assumed government is a holder of all the three types of power sources. The instruments are regarded government's toolkit, out of which the best tool for a specific situation can be picked. Furthermore, while using these instruments, power is assumed to be linear, flowing in one-way (from the principal to the agent). It is, however, the question whether these two assumptions hold in the context of many governance situations.

	Type of instrument	Logic of power	Power strength
Stick	Legal	Rule of law	High
Carrot	Economic	Economic power	Mediate
Sermon	Communicative	Knowledge	Low

TABLE 3: STICKS, CARROTS AND SERMONS

In accountability theorisation, accountability relations are supposed to be hierarchical relations between two entities, focusing on single relations between one principal and one agent. However, in most political systems, delegations are made by multiple principals (Bendor, Glazer, & Hammond, 2000). The assumption that principals are the only actor specifying preferences that the agents must follow is contested. Outside forces and the broader social context – other relationships, competitors, interest groups, regulators, legal rules, et cetera – also influence agency relationships (Shapiro, 2005). Agents may be accountable to multiple principals and multiple principals may try to impose demands on the agent (Whitaker, Altman-Sauer, & Henderson, 2004). Different public authorities have a say over different public tasks (e.g. the product safety authority, the education inspectorate, etc.); and different executive organisations are executing different public tasks. Also,

several levels of principal-agent relations may exist. Principals may be not just principals, but both principal and agent at the same time, even within the same structure (Shapiro, 2005). In a political context, an alderman, for instance, is a principal and an agent at the same time. As a principal he is supposed to govern the civil service, whereas in the municipal council he is controlled by the councillors. The council, in turn, can be seen as an agent of the people. Thus, in order to understand the multifaceted positions principals and agent often find themselves in, we have to shift our focus vertically and horizontally (Poth & Selck, 2009). These observations are often referred to as *multiple accountabilities.*

Multiple accountabilities (Poth & Selck, 2009)			
Principal ⇕ Agent	Principal ⇕ Principal & Agent ⇕ Agent	Multiple principals ⇕ Agent	Principal ⇕ Multiple agents
Principal-agent relation	*Vertical expansion*	*Horizontal expansion*	

TABLE 4: MULTIPLE ACCOUNTABILITIES

The emerge of *networked governance* has increased the fragmentation of accountability relations and the multiplicity of accountability. In recent decades, government has become fragmented and proliferated as a result of broad horizontal and vertical specialization of tasks. New and coexisting types of governance have emerged. Three types of governance mechanisms can be distinguished: a hierarchical type, as structural coordinating and authority; a network type, based on trust, spontaneous and cooperative network; and a market type, where coordination is based on competition (Steenhuisen & Van Eeten, 2013). The polycentric, networked, regimes are characterised by fragmentation, complexity and interdependence between actors. In these regimes, state and non-state actors are both regulators and regulated (Black, 2008). In these systems, 'new accountability relationships have been added to old ones, creating complex layers and combinations of co-existing institutions' (Olson, 2013, p. 452).

The abovementioned trends influence the way the process of accountability between government as a principal and public institutions as agents are shaped. Policy-instruments may not always be available to governments as a result of the fact that government is no longer the (only) holder of formal or economic power, knowledge and professionalism. This may be problematic as it affects the heart of accountability theorisation (Acar, Guo, & Yang, 2008). The rights of a principal to require an explanation or justification from the agent and the right to sanction the agent are grounded in some form of hierarchical power by the principal over the agent. The three families of policy-instruments are only available when the principal is in the possession of legal or formal power and/or knowledge. If not in the possession of power, it is questionable whether a principal still owns the right to require justification and the right to sanction. When this is not the case, the other conditions of accountability will collapse like a house of cards. Thus, in the absence of formal or economic power and/or knowledge, one can hardly speak of an accountability relationship.
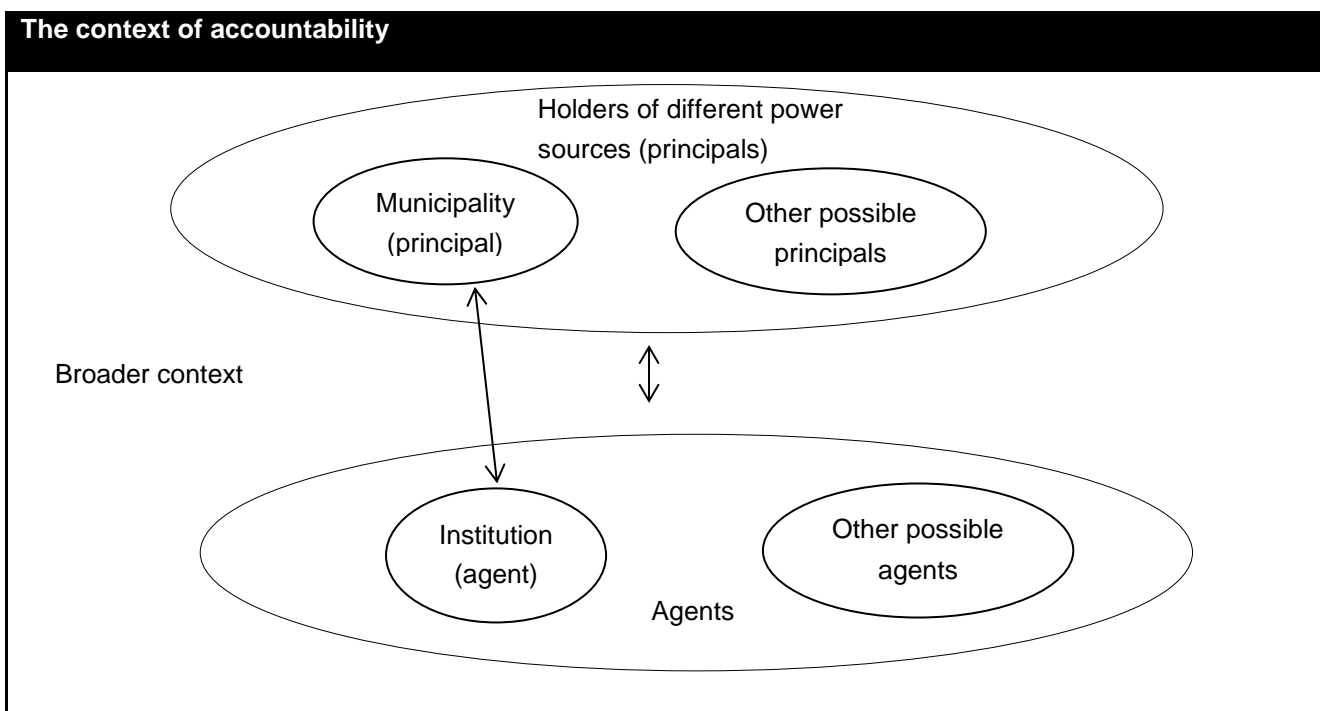
The context of accountability

Holders of different power sources (principals)

Municipality (principal)

Other possible principals

Broader context

Institution (agent)

Other possible agents

Agents

TABLE 5: CONTEXT OF ACCOUNTABILITY

Concluding, the context of an accountability relation determines the different power sources that are available to a principal. The availability or absence of formal or economic power and/or knowledge, determines the extent to which a principal can 'rule' over an agent, and which instruments are available to the principal. There may, however, be other principals that also have a certain power over the agent. Instead of a single, isolated principal-agent relationship, the principal and the agent often face multifaceted positions in which multiple principals, agents and broader contexts influence principal-agent relations (Table 5). This complicates and influences the process of accountability between the municipality and an institution.

3.4   The process of accountability

In the previous sections, the general conditions for any accountability relation are described; and the underlying logics of the content and the context in which accountability relations are embedded are explicated. In this section, the process of accountability is expounded. This process describes the sequence of events of accountability in different steps. These steps describe which communications between the principal and the agent take place. Within these steps, the aforementioned content and context of accountability converge into a sequence of communications that together constitute accountability.

Different scholars have developed timelines and frameworks to analyse different phases or steps, which can be used to analyse the process of accountability. Brandsma and Schillemans (2012) have developed a three-phase analytical framework of information, discussion and consequences. In the information phase, the agent provides an account of his conduct and behaviour toward the principal. In the discussion phase, the principal assesses this account and may ask for additional information. In the end, the principal will pass judgement on the behaviour of the agent in the consequences phase and will punish, correct or reward the agent when needed (Brandsma & Schillemans, 2012). Lindberg (2013) distinguishes the same three steps or phases in the process of accountability. However, he adds two additional steps, as he distinguishes the delegation of the decision-making power and the agent using this power as separate phases preceding the information, discussion and consequences phase.

For this thesis, the process of accountability will be conceptualised based on these two models. In relation to the three-phase model, a selection phase is added. The selection phase has similarities with Lindberg's (2013) 'transfer-of-decision-making-phase'. However, it does not only contain the transfer of decision-making power over the domain, but also the phase in which the domain and expectations are determined, and in which is determined what the account of behaviour should be. In our analysis, the 'agent-act-using-discretionary-power'-phase by Lindberg (2013) is left out, as it does not involve any interaction between the principal and the agent. This leaves the following timeline of accountability (Table 6).

Timeline of accountability			
t1	t2	t3	t4
selection phase	information phase	discussion phase	consequences phase

TABLE 6: TIMELINE OF ACCOUNTABLITY

In the *selection phase*, the principal gives the agent the right to act on his account. In other words: decision-making power is transferred from the principal to the agent. In order to do so, the conditions under which this is done have to be clarified. This means the aforementioned conditions (agent, principal, domain, rights, expectations and account) should be (made) clear. Sometimes these different conditions are clear at the outset, sometimes they have to be demarked. For instance, if a principal holds formal power as a result of legislation, it may be that the rules within the legislation are clear-cut about the domain, rights, expectations and account. In a contract relation, however, the terms and conditions have to be negotiated. In this sense, the way the selection phase is shaped is dependent on the type of tasks to be executed and the expectations (content), as well as the instruments that can be used to shape an accountability relation (context).

In the *information phase*, the agent gives his account of behaviour to the principal. The provided information may have different foci, dependent on the domain and the expectations. It may, for instance, focus on results, financial indicators, or procedural issues (Brandsma & Schillemans, 2012). The account is connected to the domain and the expectations and can therefore be decided upon in the selection phase. The information that should be carried in the account is a translation of the behaviour of the agent, which makes it possible for the principal to compare the behaviour of the agent with its expectations. What the account should look like, thus, can be determined in the preceding selection phase and holds a connection to the content and the context of accountability.

In the *discussion phase*, the principal discusses the account given by the agent (or not) on the behaviour of the agent in the domain. It is determined whether or not the agent has sufficiently fulfilled its information provision duties and its duties regarding the domain (judgment). It has to be determined whether the account given by the agent gives a reliable picture of his behaviour and whether the behaviour meets the expectations (Brandsma & Schillemans, 2012). Thus, again, the way the account is given is connected to both the content (expectations) and the context (power sources) of the accountability relation; as well as to the other phases of the accountability process.

In the *consequences phase* the principal sanctions the agent or not, depending on the verdict in the discussion phase. Sanctions may be negative, but may also be positive (rewards) (Brandsma & Schillemans, 2012). Sanctions may come in different shapes and sizes, such as financial (fines/rewards), legal (persecution), reputational, or exclusion. The form and magnitude of sanctions is dependent on the power sources available to the principal (context). The latter sanction, exclusion, could only be charged when there is a so-called exit option. An exit options means the principal can turn to a competitor, who can take over the tasks of the agent. How is determined if the agent will be sanctions and what the sanctions will be, may differ.

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Phases in accountability	
t1 selection phase	Transfer of discretionary power; Clarification of conditions (agent, principal, domain, rights, expectations and account) (if needed)
t2 information phase	Agent gives account of his behaviour regarding the domain and expectations
t3 discussion phase	Principal discusses the account of the behaviour of the agent; Principal determines whether or not the agent has fulfilled its duties
t4 consequences phase	Principal sanctions/rewards the agent or not

TABLE 7: PHASES IN ACCOUNTABILITY

Concluding, the process of accountability involves different steps. Within these steps, different communications between the principal and the agent shape the accountability relation (Table 7). We have seen that the content and context of a relation converge into a process of different steps that together constitute an accountability relation. However, in the real world the steps in the processes are not as logically connected as presented here. In reality the process is messy, as the phases may occur simultaneously. The accountability process must be seen as a heuristic device that helps to analyse the messy process of accountability (Brandsma & Schillemans, 2012).

3.5   Chapter conclusions

In this chapter, a theoretical framework is presented including conceptualisations of the different concepts under study. Accountability is a mechanism that organises delegation of power over a certain domain or responsibilities from a so-called principal to a so-called agent, in which the agent has the obligation to give account of his or her conduct to the principal. The principal is in the possession the right to sanction the agent if the agent fails to inform and/or explain or justify his decisions regarding the domain (Lindberg, 2013). In approaching three different aspects of accountability – the content, context and process of accountability - the three theoretical sub questions of the thesis are answered:

Theoretically, which aspects regarding content play a role in accountability relations?

The content of accountability regards the tasks or responsibilities subject to accountability, or what an accountability relation is 'about'. The aspects regarding the content of an accountability relation are the domain of an accountability relation, or *what* the agent is to do, and the expectations by the principal regarding the duties of the agent in the domain, or *how* the agent is to do it. The expectations are determined by a normative conception of legitimate behaviour of the agent by the principal, which are grounded in different so-called legitimacy claims. These claims can regard justice, legality, democracy or performance.

Theoretically, which aspects regarding context play a role in accountability relations?

The context of an accountability relation regards the structural factors are that determine an accountability relation. The main aspect regarding context are the policy instruments that are available to the principal. The availability of these instruments is determined by the different types of power sources that are available to a principal. The availability or absence of formal, economic or knowledge power determines the extent to which a principal can 'rule' over an agent, and which instruments are available to the principal. There may, however, be other principals that also have a certain power over the agent. This complicates and influences the process of accountability between the municipality and an institution.

Theoretically, how do the aspects regarding content and context relate to the process of accountability?

The process of accountability involves different steps of selection, information, discussion and consequences. Within these steps, different communications between the principal and the agent shape the accountability relation. In the process of accountability, the content and context of a relation converge into a process of different steps that together constitute accountability. The different types of legitimacy claims (content) by the principal and different types of power sources available to the principal (context) influence the way the process of accountability is shaped. As the term accountability can be applied to many relations in different settings, there is no unequivocal way in which accountability processes are shaped by the content and context. We do know, however, that the content and the context factors are the most important factors in the organisation of accountability.

4. METHODOLOGY

In the previous chapter, the theoretical framework is presented. The concept of accountability is approached from different angles and it is tried to connect the different parts and conditions of accountability. In this chapter, the research design for the thesis is outlined. This is a concrete plan of work that leads empirical observations representing the concepts. For this thesis, a comparative case study design is chosen. A qualitative research design is chosen because the phenomenon that is being studied is equivocal and may take various forms. Qualitative designs lead to fuller and deeper understanding of the dynamics of complex social processes (Babbie, 2007). First, case selection is described. Second, the units of observation are addressed and third, methods of data collection are described. Fourth, operationalization is discussed and finally, methods of data analysis are explicated.

4.1 Case selection

Cases are selected on the basis of several criteria, which are set up in consultation with the municipality of Hengelo. First of all, it is strived for diversity in the contexts of the different accountability relations. The first criterion for diversity in contexts is the availability of power sources. As described earlier, the context of an accountability relation is determined by power sources that are available to the principal. These sources can be legal, economic or knowledge. Furthermore, in the context of an accountability relation, it is important to know if there are any other holders of power sources, or other principals. Therefore, the second criterion that is used for case selection is diversity in the expected number of principals. Next, it is tried to get a sample that covers diverse content. Therefore, cases within diverse policy fields are chosen. This leads to the selection of five policy fields, in each of which one organisation is selected. The five municipal policy fields are social security, healthcare, housing, culture and education. By selecting organisations from different policy fields, it is tried to maximise external validity and generalisation. A fourth criterion that is used is that the organisation that is to be selected has a substantive role in the municipal policy field. This means relatively large organisations are selected and smaller, marginal organisations are ruled out. Finally, it is tried to get a diverse sample of related parties, subsidised institutions and other relations (see Text box 1).

In categorising municipality-institution relations, a distinction between related parties (*verbonden partijen*), subsidised institutions *(gesubsidieerde instellingen)* and other relations (*overige relaties*) can be made (Rekenkamer Enschede, 2013). Related parties are seen as public or private organisations, in which the municipality has an administrative and a financial interest. Related parties can take various legal forms: joint regulations, intergovernmental cooperation, limited liability companies/private companies, associations and foundations (Rekenkamer Maastricht, 2008). A subsidised institution is a public or private organization with which the municipality has a financial relation. The organisation is providing tasks that serve a public interest and the municipality provides compensation on the basis of a cost prize (non-profit). There is no administrative participation and therefore no direct say by the municipality. Other relations are relations that cannot be categorised as a related party or a subsidised institution, but the municipality does have some relation with. This could be a legal relation, a financial relation (grant, loan and/or warranty) and/or a contract relation (Rekenkamer Enschede, 2013).

TEXT BOX 1: RELATED PARTIES, SUBSIDISED INSTUTIONS, AND OTHER RELATIONS

In order to get a general picture of each of the five policy fields and the different municipality-institution relations within these fields, different municipality employees are used as informants. On the basis of their consult on the different related parties, subsidised institutions and other relations in the different policy fields, a description of the different policy fields and the main organisations in these fields is made. On the basis of this consult and the five criteria, five cases are selected: Stadsbank Oost-Nederland, Ziekenhuisgroep Twente, Welbions, CREA and Primato.

Stadsbank Oost-Nederland

In the policy field of social security, the Stadsbank Oost-Nederland is selected. The Stadsbank is an organisation that is concerned with debt assistance. Debt assistance is a municipal task laid down by law. The Stadsbank Oost-Nederland (translated: City Bank of Eastern Netherlands) is a joint regulation between twenty-two municipalities in the eastern part of the Netherlands. Since debt assistance is formally a municipal task, there is expected to be formal power. Furthermore, as the Stadsbank is funded by the different municipalities, so economic power plays a role as well. Since the joint regulation is a cooperative regulation between different municipalities, there are expected to be multiple principals.

Ziekenhuis Groep Twente

In the policy field of healthcare, the 'other relation' Ziekenhuis Groep Twente (ZGT, translated: Hospital Group Twente) is selected. ZGT is a regional hospital for the mid-Twente region. It has two departments, one in the city of Hengelo and one in the city of Almelo. The provision of hospital services is not a municipal task, nor does the municipality fund the hospital. Therefore, the formal and economic power position is expected to be low. The municipality does, however, feel responsible for accessible hospital care. As the ZGT is funded by insurers, and faces different functional and justice claims by different semi-public and public bodies, it is expected there are multiple principals.

Welbions

In the policy field of housing, the 'other relation' Welbions is selected. Welbions is a social housing foundation that operates in the municipality of Hengelo mainly. Welbions is the largest supplier of social housing in the municipality by far, covering approximately 95% of the total stock. Economic power is expected to be relatively high: in Hengelo, the municipality is providing loans for the corporation. This has a two-folded effect: the corporation has a relatively inexpensive loan and the risk for the municipality is low, while they are gaining money on interest. The municipality and the corporations also make social performance agreements and set up covenants in which these agreements are specified. Hengelo has set up a covenant with Welbions, in which performances regarding housing are clear-cut. It is expected there are multiple principals, as central government is also a powerful actor. Furthermore, the regional public bodies are getting a stronger position in the field of housing as well. Also, with regard to the decentralisations in the social domain, the housing foundations have a role in the housing of those who need support.

CREA

In the policy field of culture, the 'subsidised institution' CREA is selected. CREA is a cultural organisation for leisure activities and cultural development. It is considered one of the 'core cultural facilities' in the municipality. There is no legal basis for providing cultural services, except for the public library. The municipality has relatively high political discretion to establish its own cultural supply. Therefore, formal power is relatively low. Economic power, however, is relatively high, as CREA is for a large part dependent on municipal subsidies. The municipality is expected to be one of the few, and the most important principals of CREA.

Primato

Finally, in the policy field of education, the 'other relation' primary public education organisation Primato is selected. Primato is the main primary public education provider in Hengelo. Primato is the overarching foundation of ten cooperating public primary schools. There is expected to be formal power by the municipality: the municipality's primary legal responsibility in the educational field is the constitutional obligation to ensure the access to public education, which creates a surveillance-relation to public education institutions. Furthermore, the housing of the schools and the surveillance on compliance with the compulsory education is a municipal task. Economic power is also present: the municipality has small budgets and incentives, which it uses to reach local policy goals such as the preschool-primary school transition and school accompaniment projects. The municipality monitors the outcomes of the local educational policy on a two-yearly basis. Furthermore, there are

expected to be multiple principals, as different central government agencies have discretion over the domain, as well as advisory boards, etc.

Discussion of cases

The five selected organisations are all (semi)public organisations. Public and semi-public organisations were purposively selected for two reasons. First, the municipality of Hengelo indicated public-to-public accountability is the form of accountability that they felt is the most relevant in terms of 'how to design accountability'. In other words: the municipality faces the most problems in their role as principal in relation to other public and semi-public organisations. Second, from a theoretical perspective, public-to-public accountability is the most interesting as well. In the literature, private-to-private accountability has been widely discussed in principal-agent theorisation, and has been applied in many settings. Alternatives, which could be better suited for public-to-public accountability, have not reached that level of practical application yet (Schillemans, 2013). Furthermore, with the selection of the five cases, it is tried to get a diverse sample in terms of expected formal and economic power and authority; and in the number of principals, with an emphasis on multiple principal situations. Table 8 gives an overview of these expectations.

	Policy field	Expected policy instruments	Expected no. of principals	Type of relation
Stadsbank	Social security	Legal / Economic	Multiple	Joint regulation
ZGT	Healthcare	-	Multiple	Other relation
Welbions	Housing	Legal / Economic	Multiple	Other relation
CREA	Culture	Economic	One	Subsidised institution
Primato	Education	Legal / Economic	Multiple	Other relation

TABLE 8: OVERVIEW OF SELECTED CASES

4.2   Units of observation

The units of analysis in the thesis are relations or communications between the municipality of Hengelo and the selected institutions. These units are rather abstract and cannot be addressed directly. Therefore, the units of observation that give a valid and reliable picture of the relations or interactions have to be selected. Two types of units of analysis are used in the study: documents and interviewees.

Documents

The use of documents as a unit of observation seems logical. In most accountability relations, the way accountability works, or should work, is somehow documented. It is likely that these documents specify the accountability process of selection, information, discussion and consequences; and expectations. As tasks, organisations, and accountability processes under study are very diverse, in every relation, documentation may be different in terms of form and intensity. Documents could be official documents, covenants, legislation, contracts, year reports, minutes of meetings, and written correspondence or even emails. As a result of the diversity of relations and instruments, for every case, it is a challenge to find the documentation that carries the information we are interested in. In order to find it, different informants are asked. This process has to be executed carefully and attentively, as missing documents is a threat to reliability.

Interviewees

Next to documents, key informants were approached as a unit of observation. There are two reasons for interviewees as well as documents. First, not all the information on the different concepts under study may be present in documents. To capture this information, interviewees are asked. Second, interviewees can be used in order to interpret the data found in the documents. Data in official documents can be very plain; people can

give meaning to the data. Where using people as a data source has this advantage of getting deeper understanding, it carries a reliability danger, as people's views are always subjective. Interviewing techniques are used to reduce this threat to reliability.

The interviewees are civil servants and public managers from the institutions. To increase reliability and validity, it is important that the interviewees have sufficient knowledge on the topic. For every so-called related party, the municipality of Hengelo has an account-holder concerned with the relation. For the other relations, the person that is best-informed about the relation has to be found. The best-informed persons at the institutions will differ from institution to institution and will have to be asked after. Again, this process has to have full attention. In the selection of interviewees, it is furthermore important to take into account the position the interviewee has in his or her organisation. An executive has a different position and may therefore have a different point of view than an employee.

Case	Interviewee	Organisation	Function
Stadsbank	S. Quinten	Stadsbank Oost-Nederland	Budget consultant
	M. Hanrath	Municipality of Hengelo	Policy officer social affairs
ZGT	V. Veldhuis	Ziekenhuisgroep Twente	Secretary executive board
	Y. van Wijk	Municipality of Hengelo	Policy officer healthcare
Welbions	S. van Zaal	Welbions	Manager strategy
	S. Meijer	Municipality of Hengelo	Coordinator housing and urban renewal
CREA	L. Kerkhof	CREA	General manager
	K. Buis	Municipality of Hengelo	Policy officer culture
Primato	H. Gerichhausen	Primato	General manager
	Y. van den Reek	Municipality of Hengelo	Coordinator cluster culture, education and sports

TABLE 9: INTERVIEWEE OVERVIEW

4.3 Data collection methods

Two distinct methods of data collection are used in the study, both addressing one of the two different units of observation. Regarding the collection of data from human sources, in-depth interviews are used. With regard to the documented communication, document analysis is used.

Document-analysis

The different documents are analysed using content analysis, which is a tool for analysing recorded human communications such as books, web sites, laws etc. In content analysis, it is important to select an appropriate sample. Sample selection is largely dependent on the unit of analysis (Babbie, 2007). In our case, the unit of analysis is the concept of the accountability in municipality-institution relations. Depending on the relation, the domain, expectations and the way account must be given is documented in contracts, covenants, et cetera. These are used as the sample. As described before, this process of sampling has to be executed very carefully. The challenge here is to develop a procedure that results in selecting the appropriate documents. This process consists of two steps. First, informants are selected who are expected to have knowledge of the accountability relation of a specific case or are having communications with the selected organisations. In order to select them, some sort of snowballing mechanism (ask people if they know who should be informants) is used. Second, the informants are asked if they can name any form of communication between the municipality and the organisation in question (official documents, legislation, covenants, email, etc.). Out of the response by the informants, the useful sources of data are selected. This process has led to the selection of the following documents, regarding the different cases (Table 10):

Stadsbank	ZGT	Welbions	CREA	Primato
(1) Joint regulation Stadsbank Oost-Nederland; (2) Joint regulation act; (3) Municipal debt assistance policy 2012-2015; (4) Debt assistance act; (5) Business plan BudgetAlert; (6) Year report and annual accounts SON 2013; (7) Report on modernization of service provision of SON; (8) Budget SON 2014; (9) Implementing rules debt assistance Hengelo 2012; (10) Report investigation corporate culture of SON	(1) Different formal contacts between the Mayor and Aldermen (B&W) of Hengelo and the executive board of ZGT; (2) Municipal council documents (memo's; questions; answers); (4) Agenda's and minutes (if available) of administrative consult between ZGT and B&W; (4) B&W's official decisions; (5) Internal municipal memo documents; (6) Press statements; (7) Informal e-mail communication between policy official and secretary of the board of ZGT	(1) Social Housing Management Decree (Besluit beheer sociale huursector); (2) Business plan Welbions 2012-2017; (3) Year report and annual accounts Welbions 2012; (4) Housing act (Woningwet); (5) Housing act (Huisvestingswet); (6) Overview of the revision of the housing act by Platform 31; (7) Partial Regional Housing Regulation (Partiële regionale huisvesings-verordening); (8) Policy Outline Regional Housing Vision Twente (WoON); (9) Municipal Housing vision Hengelo 2012-2022; (10) Covenant between Welbions and Hengelo	(1) General subsidy regulation (ASV) Hengelo; (3) B&W's officials decisions; (4) Municipal subsidy implementation rules 2014; (5) Arts and culture vision Hengelo 2014-2020; (6) Vision and course document CREA; (7) Grant applications CREA; (8) Subsidy grant by the municipality; (8) Additional subsidy grant application CREA; (9) Year report and annual accounts CREA	(1) Covenant Primato-Municipality; (2) Extended schooling application; (3) B&W's municipal council proposals; (4) Primato budget 2014; (5) Assignation Supervisory Board Primato letter; (6) Administrative agreement G32-Government 2011-2015; (7) B&W's and board of Primato written correspondence; (8) Budget and long-term budget Primato; (9) VNG brochure public education and municipality; (10) Concept statutes Primato; (11) Warranty municipality; (12) Council's Resolution regarding Primato's Statues; (13) Municipal memo regarding preschool and early learning programmes; (14) Code good governance primary education; (15) Subsidy grant municipality ; (16) Extended schooling policy; (16) Primary education act and constitution

TABLE 10: SELECTED DOCUMENTS OVERVIEW

In-depth interviews

To capture the deeper understanding of the concepts, qualitative interviews are the most appropriate method. Interviews are better-suited for measuring the process of accountability than, for instance, a survey. The indicators can be divergent and equivocal. A qualitative interview is much more flexible and iterative and gives an opportunity to choose follow-up questions and base questions on the context of organisations, whereas

surveys are closed-ended and locked in stone (Babbie, 2007). Therefore, in this case, qualitative interviews are preferred. For measuring factors influencing accountability, also, in-depth interviews will be used. For the same reasons of flexibility and iterativity, and the possibility to pose follow-up questions, this method is chosen. Flexibility of semi-structured interviews also had its downsides, as it can be a threat to reliability and validity. Therefore, it is important to have created guidelines for the interviews.

As the sample of municipality-institution relations is very diverse, the proportion of the use of different methods of data collection will differ from relation to relation, depending on, among other things, the availability of data. For instance, in a relation with a low intensity of formal interdependence, it would not be surprising if the availability of official documents and statements regarding the accountability relation is low. Thus, for every municipality-institution relation, it has to be determined which information is available in which data sources. Before the interviews are held, the document analysis is conducted. The extent to which a concept is discussed in the interview is dependent on the level of information that is retrieved from the document analysis. When, for instance, a lot of specific information on the accountability instruments is retrieved from the documents, it is unnecessary to specifically ask about it. In this way, the limited time for the interview can be optimally used for asking about the issues that are not yet clear from the document analysis.

For the semi-structured interviews, operationalization is very important. While semi-structured interviews have an advantage for their flexibility, they carry the danger of missing important things. Since there is no fixed structure, only a general plan of inquiry and topics to be discussed, the role of the interviewer is crucial. Good preparation of the interview, therefore, is important. Babbie (2007) points out several issues that are essential in semi-structured interviewing. First, it is important to choose neutral wordings. 'Wording questions is a tricky business. All too often, the way we ask questions subtly biases the answers we get' (Babbie, 2007, p. 306). Second, to make maximum use of the flexibility of the interview, listening and choosing the right follow-up questions is very important as well. For this end, probing, a technique to solicit a more complete answer to a question by using phrases such as 'anything more?' is a key element of the interview strategy. Third, it is important to make sure that topics are clear. It might be difficult to assess to what extent a person is familiar with a topic or a perspective or view. A strategy would be to first ask general question, and pose follow-up questions with a higher level of specificity. Fourth, it is also important to avoid double-barrelled questions, i.e. questions that have multiple parts with multiple possible answers. Finally, it is important to recognise that the interviews that will be conducted represent two sides of the same story. Taking into account the position of the interviewee has implications for the choosing of the questions to be posed.

As stated before, there is no general structure for the semi-structured interviews and the interviewer's plan of inquiry and topics to be discussed is crucial. The different concepts under study and its dimensions and indicators are used as a checklist of topics to be discussed. Furthermore, a list of general questions regarding the different topics of the interview is generated, which can be used as a starting point for the interviews. The checklist of topics and the list of general questions are determined by the way the concepts are operationalised.

4.4 Operationalization

In the theoretical framework, it is tried to find conceptualisations of accountability in municipality-institution relations. In this operationalization, it is tried generate research procedures that will result in empirical observations representing these concepts. The process of generating these research procedures is called operationalization (Babbie, 2007). As we have seen, the theoretical framework consists of several conceptualisations and the relations under study are rather equivocal, which challenges the search for proper operations. Furthermore, since accountability is a comprehensive process, it is a challenge to limit the number of indicators and keep the investigation tangible, while at the same time assuring a satisfactory extent of reliability and validity. The concept of accountability is approached from three different angles: the content of

accountability; the context of accountability and the process accountability. The seven conditions for an accountability relation are functioning as the backbone of the operations (see Table 1). In conceptualisation, the different conditions are separately fleshed out and the way they are interrelated is explicated. In operationalization, this method will be continued. Fist, the operations regarding the content of an accountability relation will be generated. Thereafter, the operation regarding the context of an accountability relation will be generated; and finally, operations for the process of accountability are set up.

Content of an accountability relation

As is expounded in the theoretical framework, the content of accountability regards the domain of an accountability relation and the expectations by the principal regarding the duties of the agent in the domain. The expectations regard the question what the agent is to do, and how he is to do it. These expectations are determined by a normative conception of legitimate behaviour of the agent by the principal, which are grounded in different legitimacy claims. Thus, there are two broad types of content: the manifest content, regarding the specific tasks and responsibilities of the agent in the domain, and latent content, regarding the underlying beliefs, conceptions of good governance or legitimacy claims. Whereas it is theoretically assumed the manifest content is a result of underlying latent content (conception of legitimate behaviour → expectations), in the real world, the manifest content is more visible and the underlying conceptions of legitimate behaviour may have to be traced back (expectations → conception of legitimate behaviour). The thesis does not attempt to classify the content of an accountability relation in clear-cut categories, rather to describe the different expectations and the way they related to the deeper beliefs and underlying logics.

The content of accountability may be traced back in different documents, which are analysed using *document analysis*. Whether the expectations are documented and in which documents this is, is different in every case, depending on the context of accountability and the other conditions of an accountability relation. The process of selecting the right documents is of great importance (see Data collection methods). It may be the case that the sample of documents is multi-staged. This means that a certain policy document is an elaboration and/or specification of an overlying policy. When this is the case, it is most probable that the underlying document will be more specific, containing the actual expectations and the overlying document will be more general, containing the conceptions of good governance or legitimacy.

The in-depth interview is used to retrieve additional information in order to overcome any lack of clarity remaining after the document analysis. Next, when the content of an accountability relation is diffused over different (policy) documents, the in-depth interviews are used as a tool to put the data retrieved from the different documents in perspective and find out how they are interrelated. The in-depth interviews are also used to interpret and/or weigh the expectations and conceptions that are retrieved from the documents. In the in-depth interview, the technique of posing following-up questions is of importance. By posing a general question, a shotgun approach is used. Thereafter, a specific question is posed, dependent on the answers on the general question. As the sample of cases has a great degree of diversity, it is a challenge to pose the right questions, while remaining the satisfactory level of validity and reliability. Questions have to be suited for the different contexts of the accountability-relations, while still remaining a certain level of comparability. Table 11 gives an overview of the operationalization of the content of an accountability relation.

Content of accountability			
Operations	**Domain/Excpectations**	**Underlying logics/beliefs**	**Ends**
Inverview	General questions: —⟶ *What is the agent to do?* *What are the responsibilities of the agent?* *How is the agent to do it?* *What are the duties of the agent?*	Follow up questions: *What is the policy objective?* *What is the role of government regarding the domain?*	Legality Democracy Functionality Justice
Document Analysis	Specific documents Covenants Contracts —⟶ Implementation regulation Etc.	General documents Policy plans Regulations Laws Administrative frameworks Etc.	
	↓ Manifest content —⟶	↓ Latent content	

TABLE 11: CONTENT OPERATIONALISATION

Context of an accountability relation

In the theoretical framework, the context of an accountability relation is conceptualised as the sources of the hierarchical relation between the principal and the agent, or the power sources available to the principal, which determine the availability of policy instruments for the principal. The existence of some sort of hierarchical relation is a precondition for the existence of an accountability relation. It is described there can be three types or families of sources of power available to the principal: formal power, economic power and knowledge. It has also been described these three types of power are not always available to government as a principal. Next, there may be other principals who have a say over the same agent, even on the basis of the same power source. Furthermore, the broader context of public opinion, politics, etc. can also influence an accountability relation. In operationalization, it is tried to generate research procedures that contribute to mapping the context of an accountability relation.

The *sources of power* that are available to the municipality can be categorised into three families on a generalised level. A source of power, however, is not a dichotomous variable (present or not present); there may be different levels of power, which is also dependent on the levels of power of other possible principals. As the sample of selected cases has a high level of diversity, it is, however, difficult to make categorisations or create dimensions of different levels of power that are applicable to all cases. It is, for instance, precise work to determine the actual formal power a municipality has in relation to the content of accountability, especially in relation to the other government levels in cases of multi-level governance. Therefore, the power sources will be analysed in a more descriptive, nominal manner.

In the operation of *formal power*, the first question is whether there is formal power; if there is any a regulation or legislation applicable to the municipality-institution relation. If so, the second question is what the regulation or legislation is actually determining (this also holds a connection to the content of accountability). Third, it is the question who is the holder of the legislation. This may be central government, the province, the region or the

municipality itself. Who is the holder of legislation, tells us something about the level of formal power that can be based on it. Formal power sources are primarily found in the official documents using document analysis. In-depth interviews are used as a tool to put the data retrieved from the different documents in perspective and find out how they are interrelated. The in-depth interviews are also used to interpret and/or weigh the actual power retrieved form the regulations and legislation in the documents.

Economic power may also come in different shapes and sizes. Economic power may be exerted in any financial relation between the municipality and the institution, which may be a grant, loan or warranty. The amount of the grant, loan or warranty in relation to the financial position and the height of the total budget of the institution tell something about the strength of the economic power. Furthermore, the terms and conditions of the financial relation are an important indicator of the strength of the economic instrument. Economic power sources are also found in the written documents. The in-depth interviews are used to give meaning and weigh the actual power that is retrieved from an economic relation.

Knowledge as a power source may be the most difficult to identify. Whereas formal and economic powers require some sort of formal codified institution, knowledge does not. Furthermore, knowledge is seen as the least powerful source of the three families, which means it may often be used in the absence of formal or economic power. Therefore, knowledge or communicative instruments may often be used in contexts where a hierarchical relation is less evident or even absent. The actual, manifest, communicative use of power may be documented and document analysis is used to retrieve it. For the meaning and the logic behind the use of knowledge power sources, in-depth interviews are used.

Dimensions	Document analysis	In-depth interviews
Formal power	1. Presence: *Indicators: laws, regulation, legislation, etc.* 2. Magnitude: *Indicators: content determining the domain of accountability relations, author (government, provincial, regional, municipal, or other legislation)*	1. Presence : - 2. Magnitude *Give meaning and put in perspective. What is it actually the municipality has power over? How does it relate to other policies, regulations?*
Economic power	1. Presence: *Indicators: grants, loans, warranties.* 2. Magnitude: *Indicators: height, share, total budget, terms and conditions*	1. Presence: - 2. Magnitude: *Give meaning to the numbers, figures. What part of the total revenues are subsidies by the municipality? Etc.*
Knowledge	1. Presence: *Indicators: codified communication; informative letters emails. Etc.* 2. Magnitude: -	1. Presence: *Does the municipality inform the institution, or vice versa? How?* 2. Magnitude: *Does the communication affect the domain? How?*

TABLE 12: POWER SOURCES OPERATIONALIZATION

Other possible principals may also hold different power sources. There may be more than one holder of power. Power sources are not exclusive, meaning there can be more than one power-holder of the same type of power. In operationalization of the sources of power of other possible principals, one could follow the same method as for the operationalization of the power sources of the municipality. However, for reasons of manageability of the amount of documents to be analysed, the documents that are used for document analysis

focus on the municipality-institution relation mainly. It may be possible that these documents also tell something about the sources of rights of other principals, especially in legislation. In the case of such an incidental discovery, thy information is considered in the document analyses as well. However, the main data collection method for the determination of the power sources of the other possible principals is the in-depth interview.

Finally, the *broader context* of an accountability relation is also taken into account in the operationalization of the context of an accountability relation. The broader context regards the outside forces influencing the accountability relation, such as competitors, politics, public opinion, et cetera. The distinction between principal and an outside force, however, is disputable. If an institution feels public opinion is influencing a relation, one might as well argue the public is a principal too, as the opinion of the public influences the behaviour of the actors. This depends on one's conception of a principal-agent relation, which, according to some scholars, is applicable to almost any social relation. Therefore, in operationalization, these different concepts are approached combined. In the in-depth interview, the process of posing following-up questions of a greater level of specificity eventually results in the materials we're interested in (see Table 13).
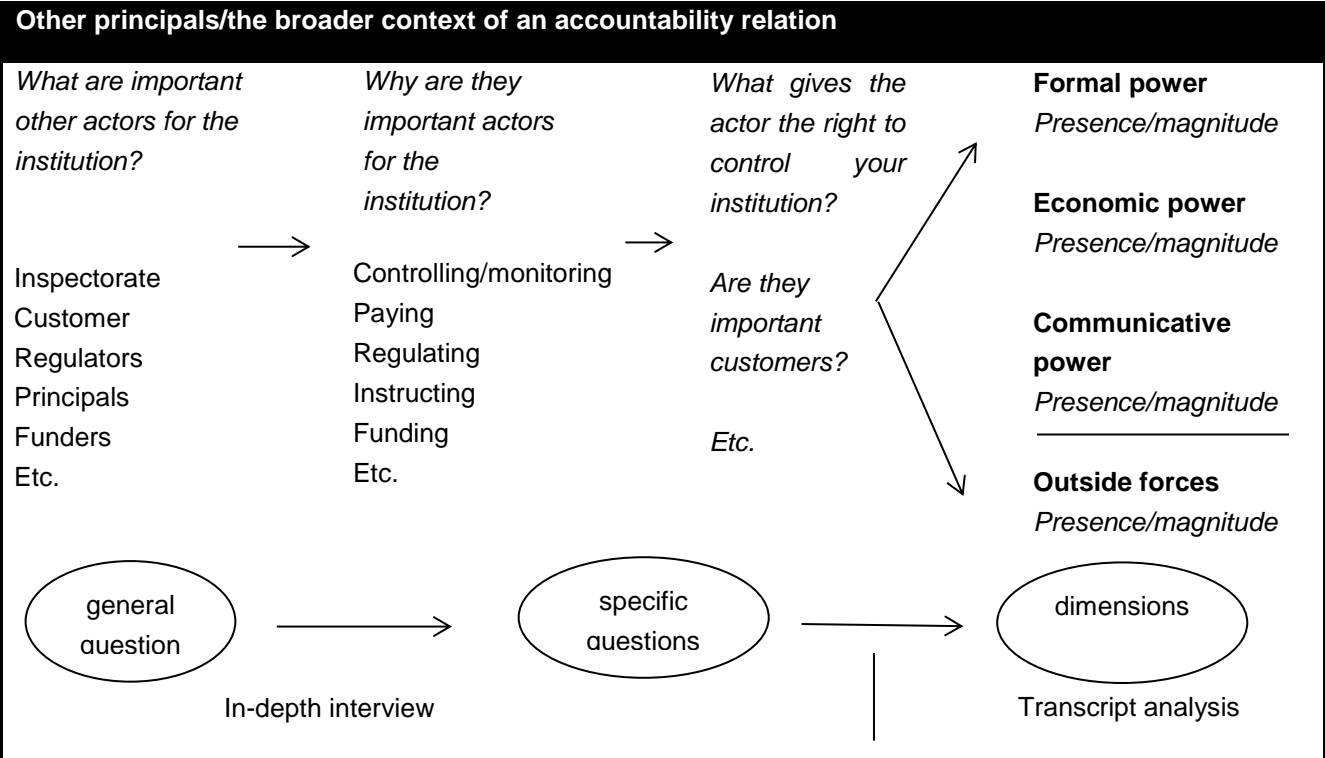

Other principals/the broader context of an accountability relation

What are important other actors for the institution?

Inspectorate
Customer
Regulators
Principals
Funders
Etc.

Why are they important actors for the institution?

Controlling/monitoring
Paying
Regulating
Instructing
Funding
Etc.

What gives the actor the right to control your institution?

Are they important customers?

Etc.

Formal power
Presence/magnitude

Economic power
Presence/magnitude

Communicative power
Presence/magnitude

Outside forces
Presence/magnitude

general question → specific questions → dimensions

In-depth interview   Transcript analysis

TABLE 13: OPERATIONALISATION OTHER POWER-HOLDERS AND THE BROADER CONTEXT

The process of accountability

In the theoretical framework, the process of accountability is conceptualised as the sequence of events in which the different conditions of the accountability relation converge. Different phases in the process of accountability are distinguished, which are used as heuristics to analyse the messy process of accountability. These phases, however, may not be as clear-cut and visible as presented. Therefore, a description of the different phases will have to be traced back in the documents and in-depth interviews. Furthermore, as in the process of accountability, the different conditions converge, there is often a connection with the other variables under study. The other elements under study can be very diffuse and ambiguous, which means the process of accountability can take various shapes and sizes. This requires a high level of flexibility in the operationalization of the process of accountability.

The *selection phase* regards the transfer of power from the principal to the agent and the conditions in which this is done. The selection phase distinguishes itself by the fact that the phase is preceding the actual execution of the task by the agent. Any formal or informal agreement or communication regarding the accountability relation is part of the selection phase. These communications may regard the content and context of an accountability relation, what the account of the behaviour of the agent should be, how the behaviour of the agent will be judged, or how the agent will be sanctioned if he fails in performing his tasks. Formal or written communication regarding the relation may be found in the selected documents for document analysis. Much information regarding the selection phase also has a role in the content and context variables. Therefore, in document analysis, it is very important to be flexible. A piece of information or a quotation may be interesting in the light of different variables. Informal and unwritten communications have to be retrieved in the in-depth interview. Furthermore, the in-depth interview is used to weigh and give meaning to the way the selection phase is formally designed. It may be the case that that the formal way in which the selection phases is shaped does not correspond to the practice of selection in the process of accountability.

The *information phase* specifically regards the account given by the agent on his behaviour regarding the domain of an accountability relation. The account may have different shapes and sizes. It may, for instance, be a year report, inspectorate report, monitoring results, a budget account, etc. The account may furthermore focus on different results, such as financial indicators, policy aims, specific performance data, etc. The first question, thus, is what the account looks like and what it does focus on. Second, it is the question why the account and the focus are this way. This may relate to the expectations and the power sources of the principal (content and context). Also, the way account should be given may have been determined in the agreements in the preceding selection phase. For the first question, documents in which account is given are analysed using documents analysis. Furthermore, in-depth interviews are used to investigate whether there is additional, informal, account-giving. Regarding the second question, the analysed documents are connected to the outcomes of the content and the context of the accountability relation, as well as the outcomes of the analysis of the selection phase. The different components are compared and it is described how they are connected. Furthermore, the in-depth interviews are used to interpret the way the actual account is related to the content, context and selection phase.

The *discussion phase* regards the way in which is determined whether or not the agent has complied with his duties regarding the domain. It is the question how the eventual judgement comes about. With that, a number of factors play a role. First, it is the question who has the mandate to determine the judgment. This may, for instance, be Burgemeester en Wethouders (B&W; the Mayor and Aldermen, executive board of the municipality), but also a mandated policy officer. Second, the question is what the intensity of the discussion is. There may be intense discussions on the conduct of the agent and the principal may ask for additional information in order to a form proper judgement; on the other hand; judgment may also be plain checking of targets or just a matter of form. Again, the answer to these questions holds a close connection to role of the content and the context of an accountability relation in the discussion, and the way the discussion is embedded in the rest of the process of accountability. For instance, when clear performance agreements are pre-determined by specific regulation in the selection phase, this influences the intensity and the form of the discussion in the discussion phase. Regarding the first question, document analysis is the primary data source. The question who is eventually entitled to pass judgement is probably documented in the selected documents. In-depth interviews are used to interpret the data found. The second question demands a high level of flexibility. Different discussions may be documented, but the main data collection method determining discussion intensity and the way judgment is formed is the in-depth interview. Specific questioning in the interview depends on the content and context of the accountability relation and the way discussions are embedded in the process of account giving. Thus, the way the different conditions of the accountability relation affect each other is crucial here.

The *consequences phase* regards the sanctions that the principal enforces on the agent (or not). It is the question if there are any sanctions; what these sanctions are; and what is the magnitude of these sanctions. The sanctions may be directly related to the power sources that are available to the principal, such as economic and legal sanctions. The sanctions may have been decided upon in the selection phase, or laid down by law, etc. The main data source for retrieving consequences is the documents. The magnitude of sanctions regards the impact a certain sanction may have on the institution. The main data source for retrieving the magnitude of sanctions is the in-depth interview.
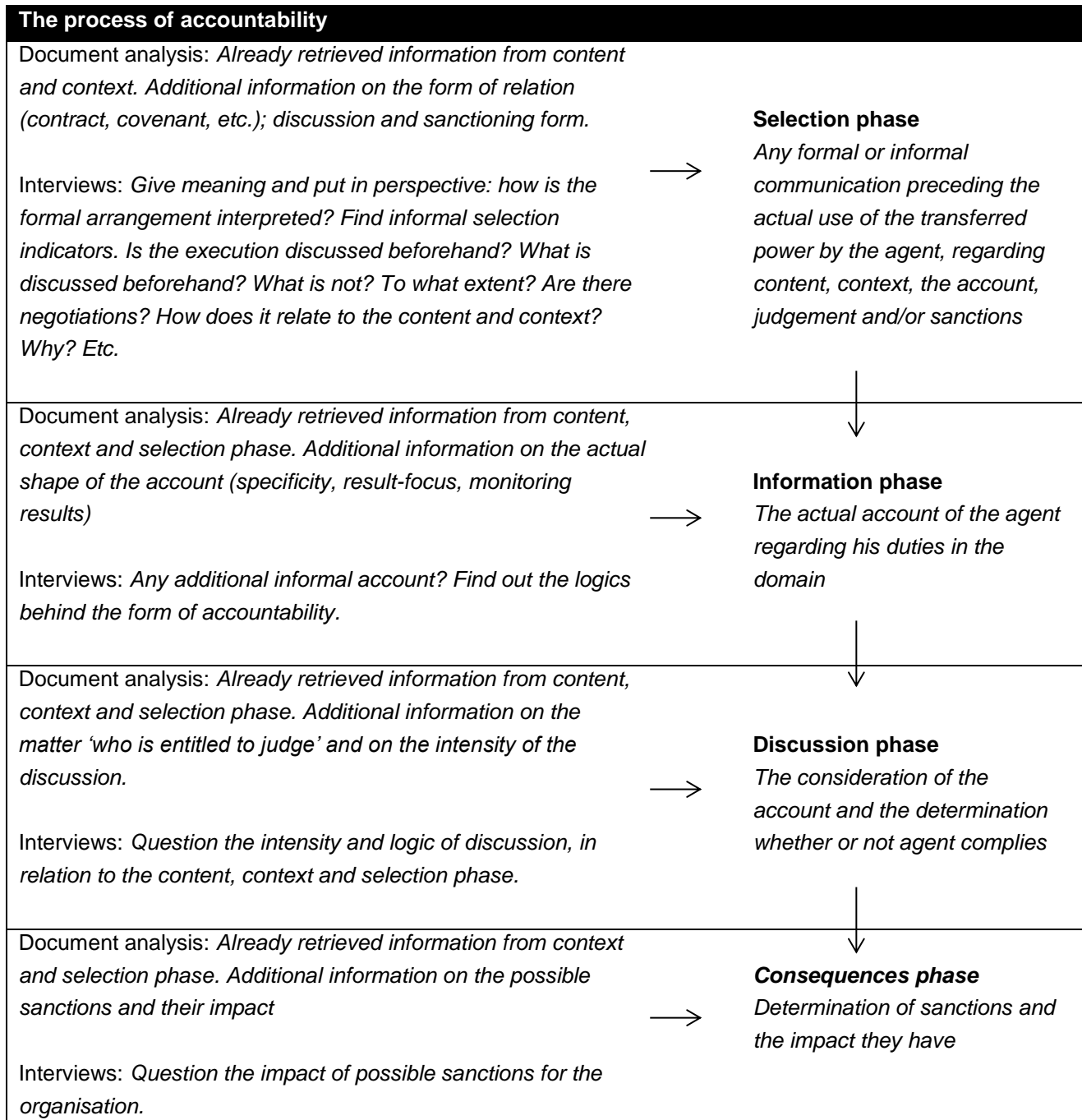
The process of accountability	
Document analysis: *Already retrieved information from content and context. Additional information on the form of relation (contract, covenant, etc.); discussion and sanctioning form.* Interviews: *Give meaning and put in perspective: how is the formal arrangement interpreted? Find informal selection indicators. Is the execution discussed beforehand? What is discussed beforehand? What is not? To what extent? Are there negotiations? How does it relate to the content and context? Why? Etc.*	**Selection phase** *Any formal or informal communication preceding the actual use of the transferred power by the agent, regarding content, context, the account, judgement and/or sanctions*
Document analysis: *Already retrieved information from content, context and selection phase. Additional information on the actual shape of the account (specificity, result-focus, monitoring results)* Interviews: *Any additional informal account? Find out the logics behind the form of accountability.*	**Information phase** *The actual account of the agent regarding his duties in the domain*
Document analysis: *Already retrieved information from content, context and selection phase. Additional information on the matter 'who is entitled to judge' and on the intensity of the discussion.* Interviews: *Question the intensity and logic of discussion, in relation to the content, context and selection phase.*	**Discussion phase** *The consideration of the account and the determination whether or not agent complies*
Document analysis: *Already retrieved information from context and selection phase. Additional information on the possible sanctions and their impact* Interviews: *Question the impact of possible sanctions for the organisation.*	***Consequences phase*** *Determination of sanctions and the impact they have*

TABLE 14: OPERATIONALIZATION ACCOUNTABILTY PROCESS

Table 14 gives an overview of the operationalization of the accountability process. Since the actual shape and size of an accountability process may be very different in different cases, it is a challenge to get to operations that work out well in every case. Therefore, the operations presented are rather general and may need different

elaboration in every separate case. For this reason, a high level of flexibility in the document-analysis and the in-depth interview is needed.

4.5   Data analysis methods

The semi-structured interviews are recorded and transcribed. Transcribing means the interview is literally written down. Thereafter, the transcripts of the interviews, as well as the selected documents for document analysis are coded. For the content analysis as well as for the qualitative interviews, coding is the most essential part of the data analysis. Coding means classifying or categorizing individual pieces of data, coupled with some kind of retrieval system. The coding procedures will lead to materials you're interested in (Babbie, 2007). This means, different pieces of text, which may be words, sentences or sections, are given specific codes, referring to different indicators, values, variables or dimensions. The different codes are re-analysed several times. In these steps, groups of codes are related to different code families and it is tried to reach a comparable standardised measure. In this way, it is tried to reach the core-concepts of accountability. For the coding process, the qualitative data management software program Atlas TI is used. This helps us to process the data in a standardized way.

4.6   Chapter conclusions

In this chapter, the research design for the thesis is outlined, leading to empirical observations representing the different concepts under study. A comparative case study design is chosen. Five (semi-)public institutions are selected on the basis of policy field, diversity in expected sources of power, diversity in relational form, and the expected number of principals. In order to increase reliability and validity, document analysis as well as in-depth interviews is used as methods of data-collection. Fifth, operationalization is provided. Operations for the variables content, context and process of accountability and their different dimensions are presented. It is shown the three variables are interrelated and it requires a certain level of flexibility to fine tune the operation to the specific case. Finally, the coding method is presented as a method of data analysis.

5. THE CASE OF STADSBANK OOST-NEDERLAND

In this chapter, an in-depth case description of the case of Stadsbank Oost-Nederland (SON) is provided on the basis of the document analysis and the two interviews. In this description, the different variables under study are discussed. In this way, it is tried to create a picture of the aspects of content and context that play a role, and the way the accountability process is shaped, in the accountability relation between the municipality and SON.

5.1   The content of accountability

In this section part, the factors determining the content of the accountability relation between SON and the municipality are described. As a Joint Regulation, acting on behalf of the 22 participating municipalities, SON is entrusted with several tasks regarding debt assistance. SON distinguishes different product types: prevention, indication, information and advice, credit loans, stabilisation and repair of financial management, amicable debt agreements, aftercare and additional services (SON, 2005; SON, 2014a). In the mandate of the task to SON, debt assistance is approached as an overarching concept, which is broadly interpreted. In recent years, however, in some of the participating municipalities, discontent regarding the execution of these tasks by SON was raised. SON was conceived as a rather rigid organisation. Several municipalities felt discontent about the quality of execution and the style of cooperation by SON. Municipalities called for more flexibility and a more customer oriented approach by SON, in which it is acts as a cooperative chain partner (Hanrath, 2014; SON, 2014b). Therefore, a research committee was installed in order to investigate the modernisation of service provision by SON. As a result of this research, the service-model was modernised. Regarding the modernisation of services, SON should deliver custom made goods, ensure quality and affordability and see their banking tasks as their core-business. Furthermore, SON sees their role more in service of the municipalities and is part of a larger network chain in which it should cooperate (SON, 2014a; Quiten, 2014). As a result of the modernisation of the service-model, municipalities are no longer obliged to take 'the full package' of services. Municipalities have larger discretion in choosing which products to take, since a model of fixed and additional services is introduced. The fixed services regard the core-tasks of SON, which municipalities are obliged to take (SON, 2014b; Quiten, 2014; Hanrath, 2014). These tasks regard debt management (lending and crediting) and debt mediation between debtors and creditors. These tasks carry a high level of specificity, as in the execution of the tasks, one needs to be able to open bank accounts, have special competences, et cetera. The other services, such as prevention, indication and budget coaching, are optional for municipalities (SON, 2014a; Quiten, 2014; Hanrath, 2014).

The municipality of Hengelo, along two other of the 22 participating municipalities, has chosen not to take all the provided products by SON. The intake, for instance, is taken back. The municipality has set up a policy plan as the source for their debt assistance policy. In the municipal policy, the municipality has a directing role, steering different care and welfare service suppliers. The approach is integral; not only debt problems are approached, but a broader approach to the problems of people. This means the debt problem is integrally approached, and when needed, different organisations such as addiction care, mental care, etc. are thrown into gear (Gemeente Hengelo, 2012a; Hanrath, 2014). This approach differs from the view of SON, which sees their role primarily as a financial-technical service supplier. In their eyes, SON is purely an executive organisation that wants to deliver custom made services, but has no part in the broader care-giving process (Quiten, 2014). Therefore, the municipality has decided to take back the leading role in the intake. Within the municipal policy plan, the municipality is seen as the gatekeeper for debt assistance. An organisation called BudgetAlert, which is a cooperative organisation between the municipality and the welfare organisation Carint, is entrusted with the intake for debt assistance (Gemeente Hengelo, 2012a; Hanrath, 2014). This means, in the municipalities view, SON does not have a role in every case. Rather, SON is a chain partner that provides financial-technical services. In this role, SON has a task in keeping the primary costs for the customer and in mediation between debtors and creditors. In the eyes of SON, the municipality is not content about the quality of services and has

therefore decided to take back part of the tasks (Quiten, 2014). In the municipalities view, it is rather a matter of role-perception, in which the municipality and SON have different views on the best service provision, but where different interests also play a role (Hanrath, 2014). SON adheres an 'every-man-to-his-trade'-principle in which they do not stand in the way of the other organisations, whereas the municipality adheres an integrated approach in which organisations cooperate to a far-reaching extent.

The aforementioned dispute regards the role-perception in the execution and effectiveness of tasks. Other important expectations regarding the execution of the tasks are efficiency, transparency, legality and internal control (SON, 2005; SON, 2014a). In recent years, SON has gone through different rounds of budget cutbacks, imposed by the different municipalities in the JR, which urged SON to work on their efficiency (SON, 2013). Furthermore, considerable budget exceeding in recent crisis years led to a call for greater transparency and more, quicker, and more detailed information provision (Hanrath, 2014; Gemeente Hengelo, 2012a). Next, the great diversity of regulations, legislation, and rules which are applicable to the different services of SON impose for attention to legality and internal control (Quiten, 2014).

The goal of the municipal debt assistance policy is to make debts of people manageable, so that they can continue living. The municipality conceives their role regarding debt assistance on the basis of several grounds. First of all, they conceive they have a role as this is laid down in law. The legislator considers debt assistance as a public task and considers government has a role in debt assistance. The municipality, however, also endorses the importance of debt assistance, as people having debts can be very disrupting for society as a whole. The municipality is convinced that money spend on debt assistance pays off well in other parts of society. This is why the municipality has a policy regarding debt assistance (Hanrath, 2014).

5.2   The context of accountability

In this section part, the different sources of power and the possible holders of these sources in the relation between SON and the municipality are described. First, the formal power that is available to the municipality is described. Thereafter economic power and knowledge are discussed. Finally, the other possible beholders of power and the broader context are addressed.

Legal power sources
SON is a joint regulation. A joint regulation (JR) is a partnership between different public bodies, based on the Joint Regulations Act (Wet gemeenschappelijke regelingen, WGR) (WGR, 1984). In the case of SON, 22 municipalities in the eastern part of the Netherlands cooperate. Once agreed to a JR, a municipality is obliged to cooperate with the JR. The organisational structure of a JR is laid down in the Joint Regulations Act (WGR, 1984). The 22 participating municipalities have a seat in the general board, in which every municipality has an equal vote. The representatives of the municipality can be either a member of B&W or a municipal councillor. The general board is the highest body within SON. Furthermore, out of the general board, an executive board is chosen in which eight municipalities are represented. The municipalities of Almelo, Hengelo and Enschede have a permanent seat in the executive board. The representative of Enschede is also designated the president of SON (SON, 2005). The general board, the general board members, the executive board, executive board members and the subordinate general manager and the management team all have different responsibility and discretion, which is laid down in the JR (WGR, 1984). Furthermore, there is an official platform in which different policy officials from the different participating municipalities serve. The platform is an advisory board for the management and the general and executive board of SON (SON, 2005).

The general board is the highest body of SON, which meets at least twice a year. The general board has to approve the budget and the year reports and has a final say in the important decisions for SON (SON, 2005). In terms of a principal agent relation, the general board of SON can be designated the principal of SON. In legal terms, general board formally represents the 22 cooperating municipalities. Thus, SON is in fact on agent faced

with 22 principals having 1/22 of formal power. The number of principals is often perceived as problematic in the eyes of the municipality of Hengelo. First of all, the relative large group of decision-makers hampers smooth decision-making. Second, it complicates the organisation of official consults in precreation of the general board meetings. Third, Hengelo has always had a critical view on the working of SON and is often faced with opinions differing from its own. Fourth, the larger municipalities do not only have the largest part of customers in absolute terms, since they more face poverty in relation to the smaller municipalities, their share of customers is also the highest in relative terms (Hanrath, 2014; Quiten, 2014). Thus, the larger municipalities pay the largest share of the bill of SON, but still have one vote from 22.

All in all, one could consider a single municipality's formal influence on SON's policy to be relatively little. The fact that the influence is little added up to the fact that Hengelo often has a different view from SON's policy, has made the policy officials of Hengelo consider quitting SON. However, quitting the JR is a complicated, long-lasting and costly undertaking. The municipalities are somewhat caught in each other's power. Furthermore, the specific competences and the specificity of tasks make it difficult for the municipalities to take back the core tasks. The municipality is urged to scale up tasks, increase flexibility and decrease dependency on single employees. Therefore, Hengelo has chosen to continue part-taking in SON, and 'search the boundaries of the JR' (Hanrath, 2014, p. 8).

The 2012 Debt assistance act leaves a relatively high level of discretion for municipalities to organise debt assistance (Wet gemeentelijke schuldhulpverlening, 2012; Hanrath, 2014). It is, for instance, possible to contract out the tasks to be executed to private parties (Hanrath, 2014). However, as a result of the cooperation in the JR, the municipalities are legally obliged to cooperate in the JR (WGR, 1984). The JR, however, did not clearly specify which tasks were actually mandated to the JR, which has led to a certain extent of confusion when some municipalities wanted to perform certain tasks for themselves out of dissatisfaction with the execution of tasks by SON. The committee that was installed to investigate the modernisation of the service-model of SON has stated that the obligation only regards the two core tasks of SON, being debt management and debt mediation (SON, 2014b).

Economic power sources
SON is funded by the participating municipalities. The general board of the SON determines the budget of SON (SON, 2005; SON, 2013). The budget is divided into a relatively small part of general costs, in which every municipality shares a relative part, and the cost of the supply different products (SON, 2014a). Thus, for a large part, a municipality can decide which products to purchase and therewith determine the budget for SON. Product costs are standardised; based on a calculation of the cost price (SON, 2005). On the basis of an estimation of the purchase, municipalities calculate their annual budgets for debt assistance. However, in recent crisis years, as a result of the crisis, the purchase has exceeded the calculations, which led to budgets exceeding. As a result, municipalities are looking more closely on their budget, demanding more and quicker information and setting stringent conditions, for instance regarding intake and recidivism use (Hanrath, 2014; Gemeente Hengelo, 2012a; Gemeente Hengelo, 2012b). This increased a call for more flexibility by SON, as they are faced with a more fluctuating demand. Furthermore, in recent years SON has gone through different rounds of budget cutbacks, imposed by the different municipalities in the JR. These developments show the financial dependence of SON on their funding municipalities. In order to anticipate to the cutbacks and the fluctuating demand, the SON wants to increase the flexibility of their services and work more efficiently. This means the number of permanent jobs is decreased and the total number of full-time employees is reduced (SON, 2014a; SON, 2014b; Quiten, 2014).

Knowledge
The specificity of task and the specific competences of SON make the municipalities relatively dependent on the organisation for the execution of their legal tasks of debt assistance. SON is a member of the Netherlands

Association for People Credit; Social Banks Netherlands; the professional branch of income managers; and the Credit Registration Bureau, which testifies their specific professionalism and ability. Furthermore, SON is a credit bank as meant in the consumer credit act (WCK), which enables them to provide several specific tasks. SON can use their professionalism, competences and accreditations as a legitimation for their existence. Their organisation itself has a certain stake in this, as they exist by the grace of the municipalities. In order to survive, they are dependent on the support of the participating municipalities. Therefore, they have a stake in actively try creating support for their tasks and to demonstrate their competence and ability (Quiten, 2014; Hanrath, 2014).

Other possible principals and the broader context

Next to the submission to the 22 municipalities within the JR, SON faces an array of formal central government regulations that are applicable to their domain. On the basis of their organisational form, they have to act in line the provisions in the Joint Regulation Act. Changes in the JR have to be approved by Provincial Executives of Overijssel. In their year report and annual accounts, they have to meet the provisions of the Budget and Accountability Directive. For their specific banking and debt assistance activities they have to meet provisions from Consumer Credit Act (Wet Consumententenkrediet), the Bankruptcy act (Faillisementswet), the civil code (Burgerlijk wetboek), and the Municipal debt Assistance Act (SON, 2005; Wet gemeentelijke schuldhulpverlening, 2012). The influence of other economic power holders and holders of knowledge is negligible (Quiten, 2014).

Within the broader context of the municipality-SON relation, SON's aforementioned memberships of the different organisations (Netherlands Association for People Credit; Social Banks Netherlands; Bureau Credit Registration; Professional branch of income managers and the Bureau Credit Registration) is important for SON (Quiten, 2014). Also, the possibility and existence of possible competitors might influence the relation between the municipality and SON. Two things are important here. First, the municipalities are not obliged to fill in their tasks regarding debt assistance in a JR, as the 2012 Municipal Debt Assistance Act leaves relatively high discretion for municipalities to organise debt assistance. Municipalities do have an exit option (Gemeente Hengelo, 2012a; SON, 2014b). However, since it is an obstacle to retreat form the JR, this threat to the relation is not current. Second, certain products of SON, such as guardianship, are also offered by private parties. With these products, municipalities should pay attention to the provisions by the national and European competition regulation, as their might be a situation of forbidden state support. Currently, the municipality is investigating whether these threats of state support with regard to the provision of guardianship are serious (Hanrath, 2014). In their role as a chain partner in welfare and care, SON has to cooperate with different actors, such as general social workers, psychological help and addition help. Furthermore, agreements regarding rent arrears are made between BudgetAlert, the municipality, Welbions and SON (Gemeente Hengelo, 2012a).

5.3   The process of accountability

In this section part, the process of accountability between SON and the municipality is described. The four phases of the process are addressed in succession. Together, these steps constitute the accountability relation between SON and the municipality. The different aspects of content and context of the accountability relation come back in the process.

Selection

The actual 'transfer of power' to the JR of SON is in fact a non-recurrent action. Once the JR is joined, the power regarding the domain is transferred to SON. Beforehand, the different regulations and conditions regarding setting up a JR have been taken into account and a JR-document is set up in which the different responsibilities and ways of account-giving are specified (SON, 2005). Furthermore, in order to execute the specific tasks regarding banking and debt assistance, several accreditations and conditions have to be met (Quiten, 2014).

In the JR, the annual accountability cycle is outlined. This regards the annual budget and the annual accounts. In the biannual general board meetings, the annual accounts and budget are approved. The approval of the budget is done by B&W of Hengelo. Decision-taking is done by majority in the general board. The general board sets the rules regarding the daily management and organisational structure and controls the daily management. Formally, thus, the general board is has a leading role in the policy of SON (SON, 2005). In practice, however, policy proposals are mainly determined by the management of SON; the management of SON makes propositions regarding the policy of SON, which have to be approved by the general board. The consulting platform, in which policy officers from the different municipalities have a seat, is used to sound out the different municipalities' views. They are to give advice when asked for. These advices are processed in the management's propositions (Quiten, 2014; Hanrath, 2014).

The municipality indicates they miss the directing role of the general board. Especially, steering regarding the content is missed, which is a result of the fact that the Alderman in the boards are not in the position of knowing the policy details. Also the official consult in preparing biannual meetings is missed. Officials' coordination and cooperation could improve decision-making regarding the content of the policy of SON. The consulting platform, in the eyes of the municipality, should function more as agenda-setting, rather than a platform for retrieving opinions. The municipality wishes for a more advisory tasks and the possibility for unasked advice. This is, however, perceived to be inappropriate by the municipal civil service (Hanrath, 2014).

Information

Account is given on the operational and the administrative level. From the JR follows a biannual report obligation of the financial economic policy and a prognosis for the coming terms. The annual budget and annual accounts are sent to the municipal council (SON, 2005). The annual statements can be compared to a normal business-like statement, which regards the number of customers; the products; the amount of money concerned; the size of the personnel; the real estate property; et cetera (SON, 2014a; Hanrath, 2014). These statements are perceived to be well-put together by the municipality. However, the information provision in the year report is perceived to be too clinical, induced by the different rules and conditions to which the report is based. The policy and content part is missed (Hanrath, 2014).

Next to accountability in the annual reports, the municipality monitors different aspects of the operational cycle: the time between appeal and first consult; the number of appeals; the number of admitted cases; the number of SON-products purchased; and the duration of trajectories (Gemeente Hengelo, 2012a; Hanrath, 2014). Also, the municipality asks for a very detailed accounting/reckoning on the customer-specific level, for which is paid extra. In this way, they can maintain a leading role in quality and costs management. Operational contacts are good, partly because SON and BudgetAlert are located in the same building (Quiten, 2014; Hanrath, 2014).

Discussion/Consequences

The account of SON is discussed in the bi-annual general board meetings and the two-monthly executive board meetings, in which SON gives an account to their principals. Most of the approvals by the board, however, are perceived to be formalities. The discussion is most vivacious in the discussion of the budget for the next year. These budget discussions are political. The budget approval by Hengelo is determined by B&W, but the municipal council have an opportunity to let its feelings regarding the budget know. If the budget is rejected by one of the municipalities, they have to come up with budget cut propositions themselves, as, eventually, the municipality itself is responsible for the provision of debt assistance for its citizens. The determination of the budget can be seen as a consequence of the judgement of the account (Hanrath, 2014; Quiten, 2014). However, it is the question whether the determination of the budget for the next year is actually a result of the judgement on the behaviour of SON. Rather, in budget-cut discussions, a more comprehensive approach in which different stakes play a role is at stake.

Discussion regarding the content is missed by the municipality. Problems such as the aforementioned contrasting views regarding the role-perception of SON in the chain of service provision are not dealt with on the administrative level. The connection between the operational problems and the substantive discussion on the administrative level is missed by Hengelo. This is a result of the missing of proper official preparation. According to the municipality, this is due to the fact that the participating municipalities miss the expertise to properly control the activities of SON, which is also a reason why the other municipalities do not see the goings on of SON as a priority (Hanrath, 2014).

The provided account on the operational level is used by the municipality to monitor and ensure the quality and the costs of the service-provision by SON. When problems are detected or perceived by the municipality, they communicate these problems to SON on the management level (Hanrath, 2014).

5.4 Chapter conclusions

In this chapter, an in-depth case description of the case SON is provided on the basis of the document analysis and the two interviews. Regarding the content, SON is an organisation that is constructed for the task of municipal debt assistance. Within this task, they provide different services, of which debt management and debt mediation are the core-tasks that have to be taken by the municipalities. The other services are optional. The municipality of Hengelo only takes the core-tasks of SON out of dissatisfaction with the way services are provided by SON. Regarding the context, SON is a joint regulation, in which 22 principals have a say over the organisation. This high amount of principals complicates decision-making. SON is funded by the participating municipalities, which puts them in a financially dependent relation. The specificity of the tasks of SON puts the participating municipalities in a dependent position of SON. The process of accountability between the municipality and SON takes place at different levels. The administrative process of accountability is formalised in the annual budget and annual accounts approval. The municipality indicates they miss substantive discussion regarding the content of the policy and the directing role by the general board. Operational problems are insufficiently discussed at the official level and ill-translated to the administrative level. On the operational level, the municipality monitors the costs and quality of services by SON on detailed level, in order to be in a directing role regarding their tasks.

6. THE CASE OF ZIEKENHUISGROEP TWENTE

In this chapter, an in-depth case description of the case of Ziekenhuisgroep Twente (ZGT) is provided on the basis of the document analysis and the two interviews. In this description, the different variables under study are discussed. In this way, it is tried to create a picture of the aspects of content and context that play a role, and the way the accountability process is shaped in the accountability relation between the municipality and ZGT.

6.1 The content of accountability

In this section part, the factors determining the content of the relation between ZGT and the municipality are described. In this case, it is the question whether there really is an accountability relation in terms of principal and agent, since there is no formal or economic power on which the relation can rely. The municipality does see itself as a back-up in a field of private stakeholders (Gemeente Hengelo, 2012c; Gemeente Hengelo, 2012d). In their roles, ZGT and the municipality share a responsibility to care for the people of Hengelo (Veldhuis, 2014). In the eyes of the municipality, the back-up function regards different issues, such as the scarcity in provisions or market failure, accessibility, public order and safety, infrastructure, spreading and housing of provisions and the chain management in local health and prevention projects (Gemeente Hengelo, 2012e).

The spreading of provisions and the accessibility of hospital care is a topical subject in the past few years, as the ZGT is in the middle of a reorganisation in which it has been unclear what the future role of the branch of the ZGT in Hengelo would be (Van Wijk, 2014; Veldhuis, 2014). The municipality advocates the ZGT must remain one hospital located at two branches, without a hierarchical division between the two locations. Furthermore, it is stressed there may be no difference care that is acute and care that can be planned; and there may be no difference in high-volume and low-volume care. Next, both the hospitals should be accessible for basic care and there must be a good provision to help people with an acute care need (Gemeente Hengelo, 2012f; Gemeente Hengelo, 2012g; Gemeente Hengelo, 2012h). The expectations the municipality are induced by expectations by the public towards the municipality. As the municipality is not in the position of 'sticks and carrots' to move ZGT in their direction, their relation is mostly about communication and information provision by ZGT. ZGT and the municipality share an interest in preventing social unrest as a result of ZGT's reorganisation (Van Wijk, 2014; Veldhuis, 2014).

Thus, the main topical subjects to the relation between ZGT and the municipality of Hengelo regard the communication regarding the concentration and spreading of hospital care and preventing social unrest. The major other expectations to which the ZGT is exposed are efficiency and funding issues; and regulations and control regarding the quality, safety, effectiveness and accessibility of healthcare (Veldhuis, 2014). Further communications between the municipality and ZGT regard property in the so-called Healthcare Park, real estate and licences.

6.2 The context of accountability

In this section part, the different sources of power and the possible holders of these sources are in the relation between ZGT and the municipality is described. First, the formal and economic that is available to the municipality is described. Thereafter knowledge and communication are discussed. Finally, the other possible beholders of power and the broader context are addressed.

Legal and economic power sources

In the relation between the municipality and ZGT, formal and economic power sources are absent (Gemeente Hengelo, 2012c; Gemeente Hengelo, 2012d). The absence of formal and economic power sources makes it disputable to talk about an actual 'accountability relation' (Veldhuis, 2014). There is, however, a domain of certain interests and stakes in which the municipality and ZGT communicate.

Knowledge

The relation between the municipality and ZGT is mostly about informing and trust-building. The municipality feels they have a responsibility in the accessibility, quality and safety of care for their citizens, partly induced by public opinion and politics. The municipality is aware of the fact that they are not in the possession of carrots and sticks to move ZGT in their direction. The only remaining instrument is communication. As the municipality cannot force ZGT, the municipality must convince ZGT they have a certain legitimation to, at least, be informed about the policy of ZGT. Regarding the information provision they are in a dependent position towards ZGT. For the municipality (B&W), this dependent position causes friction with the expectations by politics and the public, who claim the municipality, is accountable for ZGT's deeds. Therefore, the relation between the municipality and ZGT is mostly about the legitimation of the municipality to be informed by the ZGT about the issues they feel responsible for (Van Wijk, 2014).

Other power-holders

The main formal power holder for ZGT is the ministry Public Health, Healthcare and Sports and its controlling agency the Health Inspectorate (IGZ). IGZ mainly focuses on the quality, safety and accessibility aspects of healthcare (Gemeente Hengelo, 2012e). The relation between ZGT and IGZ is rather formal. There is a sharp control on the conduct of ZGT, following strict procedures and unannounced visits. ZGT is highly dependent on IGZ, as a negative verdict by IGZ would bring severe problems for their operations. Also, medical specialists' professional organisations set up norms and regulations. The regulations and norms regarding the quality and safety (specific procedures, minimal number of performed treatments, et cetera) urge for the ZGT to cooperate with other hospitals, to specialise and to reorganise their operations. The main holders of economic power are health insurers as the funders of healthcare. Annually, ZGT makes agreements with different health insurers regarding the services and treatments to be offered and the cost prices. These agreements are preceded by several rounds of negotiation and coordination. Although they also focus on quality, safety and accessibility, the main focus for the health insurers is effectiveness and efficiency. The ZGT indicates that the level to which insurers also look at quality, safety and accessibility is different between the different insurers (Veldhuis, 2014).

Broader context

Different societal developments influence the broader context of the relation between the municipality and ZGT. First, the domain of hospital care changes as a result of specialisation and technological developments. As a result of these developments, hospitals can no longer offer the 'full package' of healthcare services, and have to specialise and cooperate. This is one of the reasons for ZGT to reorganise and reallocate their services (Gemeente Hengelo, 2012c; Veldhuis, 2014). Second, ZGT is a hospital operating at two locations in two municipalities. ZGT, therefore, has to do with two municipalities. In recent reorganisation discussion, Almelo has not expressed the same extent of information need as Hengelo. ZGT indicates the contacts between the executive board and B&W of Almelo are nil, whereas the contacts between Hengelo and ZGT are more intensive (Veldhuis, 2014). Third, hospitals are expected to 'open up': they are expected to be more cooperative in relation to other care and healthcare providers such as general practitioners, doctor's surgeries, ambulance care, obstetricians, mental healthcare, and elderly care. In the future, there might also be a relation to the municipality in this sense, as with regard to the decentralisations of the Social Support Act (Wet Maatschappelijke Ondersteuning) (Gemeente Hengelo, 2012e; Veldhuis, 2014). Finally, the local media has a crucial role in public opinion forming. According to ZGT, different tall stories around the reorganisation of ZGT and the possible diminishing of services of ZGT Hengelo in the local newspaper 'TC Tubantia' negatively influenced public opinion towards ZGT (Veldhuis, 2014).

6.3 The process of accountability

In this section part, the process of accountability between ZGT and the municipality is described. In the absence of a transfer of formal and economic power and the dependent information position of the municipality regarding ZGT, it is disputable whether there actually is a process of 'accountability'. However, there is a certain information exchange between the municipality and ZGT. Although this information provision does not occur in the outlined succession, the four phases of the process are addressed in succession.

Selection phase

Since there is no real power transfer from the municipality to the ZGT, there is no selection phase in the sense or rule-setting, negotiation on performance targets or setting up covenants, contracts, et cetera. There are however, administrative consults between the executive board of ZGT and B&W, in which is primarily focused on the information provision by ZGT towards the municipality (Gemeente Hengelo, 2012e).

Information phase

Information provision is mainly on an incidental basis, in the case of an announcement by ZGT. The ZGT determines the moment of information sharing with regard to the reorganisation. Information provision regards different levels: on the administrative level, B&W is informed by the executive board of ZGT and on the official level, there is communication between the policy officer healthcare and the secretary of the executive board of ZGT. Information provision towards B&W occurs on incidental basis in cases the ZGT has an announcement to make, or in the regular administrative consult. There is often informal contact on the official level in the case of media publicity (Van Wijk, 2014; Veldhuis, 2014). Recently, the ZGT has altered their information provision strategy, as they now follow an active information strategy towards their stakeholders, including the municipality. The logic behind this strategy change is that this creates better insights in the strategic decisions of ZGT for the different stakeholders, which serves the shared interest of preventing social unrest. Sometimes this means information must be shared confidentially, as employees or the press may not be informed in advance (Veldhuis, 2014). In these cases, the information is shared under embargo. For confidential information sharing, trust is essential. Both ZGT and the municipality stress the importance of trust-building and indicate mutual trust has grown in recent years (Van Wijk, 2014; Veldhuis, 2014).

Discussions/Consequences

Within the municipality, the consult of ZGT is a political issue. Questions were posed in the municipal council and displeasure was expressed regarding the diminishing of certain healthcare services in Hengelo, such as natal care (Gemeente Hengelo, 2012d). There is, however, a contrast between the feeling of responsibility and the call to act in politics, and the actual instruments that are in the possession of the municipality to act. The municipality tries to walk different paths in getting informed or moving ZGT. First, when there was uncertainty about accessibility of care and the supposition was raised that the accessibility norms by IGZ would be in danger; the municipality has brought the case to the Ministry of Healthcare. Second, when the situation was critical, the municipality used their communicative power, as it was decided that in the administrative consult, the complete executive board of ZGT and the complete college of B&W was traded up. This 'important delegation' was used as a tool to make the importance of the matter for the municipality clear (Van Wijk, 2014).

6.4 Chapter conclusions

In this chapter, an in-depth case description of the case ZGT is provided on the basis of the document analysis and the two interviews. Regarding the content, the municipality and ZGT have a shared responsibility for the provision of care for the citizens of Hengelo. The spreading of care and the accessibility of care are two topical subjects, as ZGT is currently reorganising and reallocating a large part of their services. The municipality's interest is to keep hospital care close and accessible to the people. ZGT and the municipality have shared interests regarding the prevention of social unrest regarding the reorganisation of ZGT. Regarding context, the municipality is not in the possession of formal or economic power. This makes that is disputable whether there

actually is an accountability relation, as no power is transferred from the municipality to the ZGT. The relation between the municipality and ZGT is mostly about information provision of ZGT regarding their policy towards the municipality. For ZGT as an agent, the holders of formal power are the ministry of VWS and IGZ. The main economic power-holders are the health-insurers. In the broader context, the media and public opinion are an important influence on the municipality-ZGT relation. The process of accountability, to the extent that there is a process of accountability, is mainly about information provision from ZGT towards the municipality. The municipality is dependent on the moments ZGT wishes to share information. Furthermore, there is a regular administrative consult between the executive board of ZGT and B&W. It is difficult to translate the responsibility for the accessibility of care for the people of Hengelo that is felt within local politics into concrete action, as the municipality is not in the possession of strong instruments to move ZGT.

7. THE CASE OF WELBIONS

In this chapter, an in-depth case description of the case of Welbions is provided on the basis of the document analysis and the two interviews. In this description, the different variables under study are discussed. In this way, it is tried to create a picture of the aspects of content and context that play a role, and the way the accountability process is shaped in the accountability relation between the municipality and Welbions.

7.1 The content of accountability

In this section part, the factors determining the content of the accountability relation between Welbions and the municipality are described. Welbions and the municipality make performance agreements in a covenant, which regards the different themes in which the municipality and Welbions cooperate. The covenant is set up threefold. There is a shared ambitions part in which a joint vision regarding the theme is presented; a long-term program, in which the mid-term expectations and ambitions are presented; and a performance agreements part in which specific and concrete performance agreements are made for the coming two years. The four main themes of the performance agreements are: the satisfactory amount of social accommodation estate; realization of service-residence-areas; vital neighbourhoods; and cooperation. Agreements are made regarding the number of tenements in the city, the accessibility of the houses and the living area, liveability and cooperation. The agreements regard: stock-agreements; investment-agreements; housing-division agreements; and rent agreements. The agreements arrange, among others, the availability of accommodation for target groups; cooperation in stock strategy and prioritizing; restricted periods between demolition and building; predicting and monitoring chance of succession; moving in housing as a solution; accessibility; and sustainability (Gemeente Hengelo & Welbions, 2013).

The covenant is based on the business plan of Welbions and the municipal Housing Vision. In the business plan of Welbions, the tasks of Welbions are determined around four main themes or core tasks. The first core task is affordable living, at which a future proof stock, a fair price/quality ratio and affordable living costs are the ambitions. The second core task is vital neighbourhoods, at which the use of the strengths of the inhabitants, stimulation of diversity in neighbourhoods and harmony in neighbourhoods is strived for. The third core task is to cooperate and combine forces, at which customer participation, cooperation with local and regional partners and an own role are stressed. The fourth core task is to run effectively and efficiently, at which a steady course, realistic and transparent management, return-minded management and efficient cooperation are stressed (Welbions, 2012; Welbions, 2013).

Regarding the policy field of housing, the municipality has a municipal Housing Vision in which five main policy objectives are determined: enforcing an urban character; building and living according the needs; vital neighbourhoods; future-proof stock; and cooperation and new coalitions. The vision is the basis for an implementation plan and performance agreements between the municipality and Welbions. Welbions is expected to adhere to the municipal policy in strategically planning its housing stock. Concrete performance agreements made with Welbions, since the domain of Welbions regards various fields, in most of which the municipality is an important partner or stakeholder (Gemeente Hengelo, 2011).

Thus, on the general level, the goals or content of the accountability relation between the municipality and Welbions regard the societal goals of affordable living and vital neighbourhoods, in which the development of the social housing stock and the functional issue of cooperation, effectiveness and efficiency are stressed. Furthermore, for the municipality the urban development is an important issue. These general goals regard a broad array of policy fields and themes. In the elaboration of the agreements, Welbions faces problems with compartmentalisation of the municipality: there are different expectations by different compartments with different aims. It is perceived there is too little internal coordination and integrality within the municipality (Van Zaal, 2014). This problem is recognised by the municipality. There is an internal discussion within the

municipality on how to cope with different views on the policies that affect Welbions. It is perceived the policy agenda regarding the policy fields of Welbions should be more integral: tax, debt assistance, social support, spatial planning, etc. (Meijer, 2014). Furthermore, the municipality and Welbions are confronted with different interests regarding their shared ambitions and agreements. For instance, they use different time-scopes in planning, due to the short political cycle and long-term visions of Welbions. Also, there are different opinions regarding scarcity of housing. For Welbions, scarcity is helps their business to run efficiently, for the municipality, scarcity is politically inconvenient. Next, there are different opinions regarding the demolition of estate in relation to new to build estate (Van Zaal, 2014; Meijer, 2014). Thus, the determination of shared ambitions and performance agreements is not a fait accompli. Multiple stakes hinder inter- and intra-organisational decision making.

7.2   The context of accountability

In this section part, the different sources of power and the possible holders of these sources in the relation between Welbions and the municipality are described. First, the formal power that is available to the municipality is described. Thereafter economic power and knowledge are discussed. Finally, the other possible beholders of power and the broader context are addressed.

Legal power sources:

Initially, Welbions and the municipality are acting independently from each other. There is no legal basis that puts the municipality in a hierarchical relation towards Welbions. However, as a result of their different legal tasks and responsibilities, cooperation is perceived to be inevitable (Meijer, 2014; Van Zaal, 2014). Therefore, the municipalities are obliged to make performance agreements with corporations (Besluit beheer sociale-huursector, 1992). In the municipal Housing Vision it is stated the municipality has a primary role as a coordinator of the local housing policy, directing the planning and programming of housing production (Gemeente Hengelo, 2011). Since Welbions is founded for the provision of social housing, it is self-evident they have a role in this policy. Both the municipality and Welbions endorse the importance of good cooperation. The obliged performance-agreements are made in the covenant. The covenant is jointly set up on the basis of equivalency (Van Zaal, 2014; Meijer, 2014).

Economic power-sources

The municipality's economic power sources towards Welbions are limited. The municipality is not a primary funder of Welbions. There are, however, different financial relation between the municipality and Welbions. First of all, there is a loan construction between Hengelo and Welbions. As one of the few municipalities, Hengelo provides loans for Welbions. This is an attractive construction for both parties, as Welbions can lend money relatively cheap and the municipality generates interest incomes. The construction does, however, increase the mutual interdependence of Welbions and Hengelo (Meijer, 2014). Second, the municipality is a channel for different provincial and central government funds regarding sustainable development and spatial planning (Gemeente Hengelo, 2011).

Other power-holders

The main formal power holder that influences the domain of the social housing sector is central government. The central government-Welbions relation is based on formal rules and regulation. The full range of tasks and responsibilities of corporations is laid down by law. There are two housing acts: the so-called 'Huisvestingswet' (Housing Act) (Huisvestingswet, 1992) and the 'Woningwet' (which also translates Housing Act) (Woningwet, 1991). The most detailed task description is determined by the Social Housing Management Decree (BBSH), which is an elaboration of the Woningwet (Besluit beheer sociale-huursector, 1992).

The Woningwet prescribes organisational and legal form, and obligatory forms of control and consult. Next, the Woningwet determines what the target groups for the provided services are. Also, the Woningwet determines

the financial control, control regarding public housing policy, information exchanges between the supervisory board and the supervising bodies, provisions regarding the year report and financial report, collegial support, consultation of tenant organisations and performance agreements with municipalities. Furthermore, the Woningwet determines procurement regulation regarding public real estate, provisions regarding merger, obligations regarding search by the visitation committee, rent provisions, provisions regarding confidentiality of income-data, provisions regarding financial management, provisions and regulations regarding demolition, and the role of the Audit Office (Woningwet, 1991).

The BBSH is an elaboration of the Woningwet. It prescribes what the institutions have to do, what the core tasks of the corporations are. These tasks are building, maintaining and managing social housing; contribution to the liveability of the neighbourhoods in which their properties are located; contribution to the housing of elderly, handicapped and those in need of care or support. It is furthermore determined that the corporation should comply with the municipalities housing policy. As determined in the BBSH, the corporations should set up year reports regarding their activities, liveability, care, management, financial policy, involvement of inhabitants, their consultation with municipalities, undertakings and legal bodies, investments and an audit certificate. The year report should be delivered to the municipality and the Central social housing fund (CFV). The audit certificate should also be delivered to the ministry and the CFV. In the BBSH, it is furthermore prescribed the corporations should set up year reports regarding their activities, liveability, care, management, financial policy, involvement of inhabitants, their consultation with municipalities, undertakings and legal bodies, investments and an audit certificate. It is determined that the corporation should comply with the municipalities housing policy (Besluit beheer sociale-huursector, 1992). The Huisvestingswet determines that the municipality should have a housing regulation (Huisvestingswet, 1992).

Central governments regulations and policy are perceived to have far-reaching effects on the relation between the municipality and Welbions. Central government's policy is perceived to be volatile. Whereas in recent years under the policy of the so-called 'Vogelaarwijken' corporations have been made responsible for the 'broader tasks' of liveability of neighbourhoods, currently the ministry is preparing a new policy in which the corporations go 'back to their core-tasks' of building and maintaining social housing. This is perceived as a fundamental change of the task-perception of the corporations (Meijer, 2014). Furthermore, the ministry is preparing a policy to put the municipality in a stronger controlling role towards the corporations (Platform 31, 2014). This might pressurise the 50/50 relation in which current agreements are made to a more hierarchical mode of control (Meijer, 2014).

Next, on the European level, there is regulation on skid, which defines social housing is only for households with an annual income of around €34k or lower and on the regional level, the so-called WGR-region Twente has set up a policy outline memorandum in which different aims for corporations and municipalities on a regional level are expressed. These aims regard the reconstruction of the current social housing stock; the development of estate; housing of target groups; and the handling of the overcapacity in the plans (Woningcorporaties Oost-Nederland, Provincie Overijssel, & Regio Twente, 2014). On the regional level, the municipalities of Hengelo and Enschede have laid down a Partial Regional Housing Regulation (partiële regionale huisvestingsverordening). This Partial Regional Housing Regulation regulates permission granting, applying split permission, convert permissions and housing agreements (Regio Twente, 2009).

Economic power sources towards Welbions are strongly restrained by law. Different government regulations steer the funding of the corporations. The so-called 'verhuurdersheffing' (renters charge), for instance, strongly influences the financial positions of the corporations (Meijer, 2014). Provinces and central government, do, however, use subsidies as an economic instrument for directing policy. These instruments mainly regard

sustainable development and urban renewal (Gemeente Hengelo, 2011; Woningcorporaties Oost-Nederland, Provincie Overijssel, & Regio Twente, 2014).

Broader context

Different important stakeholders of the corporation are tenant association Ookbions and inhabitant committees; regional consultation relationships in Twente; the police; the minister of internal affairs and/or the minister of housing and public service; the Central Housing Fund (CFV); the Guarantee Fund Social Housing (WSW); Social Housing Association East Netherlands (WoON) and executives of other corporations; the umbrella organisation for housing corporations Aedes and the Aedes managers consult; Different healthcare, care, and welfare institutions; architects, contractors, estate agents, suppliers, financial advisors and accountants; pact corporate social responsibility (pact MVO) (Welbions, 2013).

WoON has set up a contour note in which a regional vision regarding the division of subsidised housing among municipalities is presented. The corporations have come up with this vision, as they perceive an extent of policy competition between the different municipalities in the region, hampering a regional vision. Furthermore, health parties are an important player in the relation between the municipality and Welbions regarding the housing of elderly, disabled and other so-called target groups. It has been considered to also involve care-parties into the covenant (Van Zaal, 2014). This has eventually been waived as a tripartite was expected to be too complex (Van Zaal, 2014; Meijer, 2014).

7.3 The process of accountability

In this section part, the process of accountability between Welbions and the municipality is described. The four phases of the process are addressed in succession. Together, these steps constitute the accountability relation between Welbions and the municipality. The different aspects of content and context of the accountability relation come back in the process.

Selection phase

The municipality and Welbions have set up a covenant, in which the municipality and Welbions make performance agreements. The covenant is jointly set up and encompasses shared ambitions regarding different themes. Regarding the different themes, the covenant is set up threefold. There is a shared ambitions part in which a joint vision regarding the theme is presented; a long-term program, in which the mid-term expectations and ambitions are presented; and a performance agreements part in which specific and concrete performance agreements are made for the coming two years (Gemeente Hengelo & Welbions, 2013). The covenant is perceived to be a good instrument as it offers an opportunity to set up shared ambitions and agreements on different levels of specificity and on different timespans. Furthermore, it is perceived the process of setting-up the covenant has helped to understand each other's viewpoints, helped trust-building, stimulated mutual commitment and has brought the municipality and Welbions closer together. However, it is not all like hand and glove between the municipality and Welbions (Meijer, 2014; Van Zaal, 2014). In the vision of the municipality, a more elaborate and sharp shared vision is needed. Furthermore, the covenant does not settle fundamentally different views. It does, however, make different viewpoints clear and leads to 'agreements to disagree'. Also, the covenant does not settle the problems perceived regarding the compartmentalization of the municipality. Welbions has different strategies of coping with these inconsistent demands by the municipalities. They indicate they sometimes choose what suits them best; some sort of venue-shopping strategy; and sometimes they bring back the problem to the municipality. Welbions does not take a mediating role between the different municipal compartments. Welbions calls for better internal coordinating within the municipality (Meijer, 2014; Van Zaal, 2014). It is agreed the content and process of the agreements in the covenant are evaluated on an annual basis, in which the tasks and agreements can be rethought. Furthermore, a distinction between 'official consultation' (ambtelijk overleg) and 'administrative consultation' (bestuurlijk overleg) is made (Gemeente Hengelo & Welbions, 2013).

Information phase

Two platforms for information exchange are set up, the 'official consultation' (ambtelijk overleg) and 'administrative consultation' (bestuurlijk overleg). The official consultation is facilitates information exchanges regarding different projects, processes and finance. Furthermore, in the official consultation, the administrative consultation is prepared. The administrative consultation regards the outlines and has a more controlling and facilitating character, aiming at adjusting the course when needed and linking to politics (Gemeente Hengelo & Welbions, 2013). The information provision strategy of Welbions is to explain the choices made, let the municipality have a look behind the scenes, as they are in the conviction that this leads to mutual understanding. This is, however, not as unambiguous as it may sound. Questions regarding the right moment to consult one another and when to inform in cases of a changing environment are an issue. These issues must be discussed in covenant evaluations. Information provision, according to Welbions, is also a matter of trust versus transparency. An increased level of mutual trust, they argue, decreases the mutual information needs and the calls for transparency (Van Zaal, 2014). The outcomes of the covenant are evaluated on an annual basis, in a rather plain method. The evaluation is started with neutral document of achieved and/or non-achieved goals (Meijer, 2014).

Discussion phase

The working of the covenant is discussed in the two levels of the official consultation and the administrative consultation. The official consultation is steering the execution of the covenant. The consultation regards the influence of internal and external effects on the programs, facilitates information exchanges regarding different projects, processes and finance. The administrative consultation has the same goals as the official consultation; only this consultation regards the outlines and has a more controlling and facilitating character, aiming at adjusting the course when needed and linking to politics. Also, the administrative consultation is steering the agreement when issues get stuck. The administrative consultation is less frequent. In the evaluation of the covenant, Welbions and the municipality jointly check the performance agreements in the official consult. On the basis of the achieved or non-achieved goals, the goals of the covenant are rethought, adjusted or reaffirmed (Gemeente Hengelo & Welbions, 2013; Meijer, 2014; Van Zaal, 2014).

Consequences phase

Thus, in the annual evaluation of the covenant between the municipality and Welbions, the performance-agreements are rethought, adjusted or reaffirmed. The evaluation is the basis for further agreements. The advantage of the covenant, as perceived by both the municipality and Welbions, is the flexibility. An agreement is easily adjustable when the environment is changing. When goals are not reached, it is tried to reach mutual understanding on why this is the case. This can be a deliberately and harmonised decision, a result of unforeseen externalities, failed communication or a lack of effort. In the latter two cases, mutual understanding is less. In these cases, however, there is no sanctioning model. Consequences, then, are more about setting tension to the relation. Welbions and the municipality deliberately chose for a, 'organised trust', 'good-will'-model instead of a 'business-like', 'organised distrust', hard model. This is due to the absence of legal or economic sanctioning instruments. Both the municipality and Welbions, however, indicate that stricter formal or economic instruments are not desirable, as it would disturb the equal positions, there would be a hierarchical relation. As a result, however, agreements are rather free of obligations and cooperation, therefore, remains noncommittal to a certain extent. The only instrument that one of the parties really has in case of dissatisfaction with the execution of performance-agreements is scaling up to the administrative consult (Meijer, 2014; Van Zaal, 2014). This scaling-up could be improved by improving the contact between the contacts between the municipality and Welbions at the management level (Meijer, 2014).

7.4 Chapter conclusions

In this chapter, an in-depth case description of the case Welbions is provided on the basis of the document analysis and the two interviews. Regarding the content, Welbions and the municipality have agreed on the

goals of their accountability relation which regard the societal goals of affordable living and vital neighbourhoods, in which the development of the social housing stock and the functional issue of cooperation, effectiveness and efficiency are stressed. However, the determination of shared ambitions and performance agreements is not a fait accompli. Multiple stakes hinder inter- and intra-organisational decision making. Regarding the context, Welbions and the municipality are obliged to make performance agreements and cooperate in order to fulfil their legal tasks regarding the field of housing. Furthermore, their loan construction and shared subsidy interest make them financially interdependent to a certain extent. The main holder of formal power for Welbions, however, is central government, which in its regulations and legislation fully controls the legal and economic playing field of the corporations. In the broader context, different national, regional and local stakeholders are important to Welbions. The most important other parties are the care providers. In the housing of the so-called target groups of disabled, elderly, etcetera, intensive cooperation between Welbions, the municipality and care providers is needed. However, the possibility of adding the care providers to the covenant was waived as a tripartite was expected to be too complex.

8. THE CASE OF CREA

In this chapter, an in-depth case description of the case of CREA is provided on the basis of the document analysis and the two interviews. In this description, the different variables under study are discussed. In this way, it is tried to create a picture of the aspects of content and context that play a role, and the way the accountability process is shaped in the accountability relation between the municipality and CREA.

8.1 The content of accountability

In this section part, the factors determining the content of the accountability relation between CREA and the municipality are described. As CREA is a subsidised institution, the domain of the accountability relation between CREA and the municipality of Hengelo is for a large part determined by the municipality. There are two main documents that specify the expectations of the municipality: The 'Kunst- en cultuurvisie' (Art and culture vision) (Gemeente Hengelo, 2014a) of Hengelo and the 'Subsidieuitvoeringsregelingen' (Subsidy Implementing Order, SIO) (Gemeente Hengelo, 2013a). In the art and culture vision, the policy goals for the policy field of art and culture are written down. The goals that are written down here are highlighted in the following key points. First, the municipality wants to enhance the cultural identity of Hengelo. Second, the municipality wants to bear the responsibility for a qualitative, sustainable and diverse cultural infrastructure. Third, the municipality wants to stimulate the cultural awareness of the citizens of Hengelo and fourth, the municipality wants to give artists in Hengelo the chance to work and present their works (Gemeente Hengelo, 2014a). The municipality focusses on learning and presenting regarding the subsidy activities. In the case of amateur art and art education, which is the field in which CREA is operating, the focus is on learning, creating and presenting. These goals both determine what, according to the municipality, the cultural policy field is, and what goals should be reached within this field, although these goals are formulated in rather broad terms (Gemeente Hengelo, 2014a; Buis, 2014).

In the art and culture vision, it is furthermore stated that outcome agreements will be made with the cultural institutions about the aimed societal effects of the activities for which they are subsidised. How the institutions will reach these results, is left to the institutions. This means the institutions have relatively high discretion in how they execute their task, as long as they reach the pre-determined goals. Furthermore, the importance of collaboration between the different institutions is emphasised and the importance of improving the housing situation of CREA is mentioned (Gemeente Hengelo, 2014a), which at first glance might seem somewhat contradictory to the first statement.

The second source of expectations is the SIO. Within the SIO, the main goals of the cultural policy are repeated. The expectations are further specified in specific goals for CREA, which are the programming and marketing of a course offer regarding general artistic education, including dance, theatre, audio-visual and visual art and design; the maintenance of contacts with the amateur arts initiatives regarding visual art, dance and theatre; and creating opportunities for stimulating the people of Hengelo to get to know and to get involved with culture, especially regarding visual art and design, dance and theatre and a culture education programme (Gemeente Hengelo, 2013a).

The abovementioned goals for the CREA also partly determine the expectations by B&W: strengthening the cultural identity of Hengelo; enhance the cultural infrastructure; enhance the cultural awareness; offer artists opportunities to work and to present their works; provide a course offer; maintain contacts with amateur initiatives; and create opportunities to get to know culture (Gemeente Hengelo, 2014a). The SIO does specify a number of output indicators, partly determining the domain of the accountability relation. These indicators are the number of course members, the number of courses, the percentage of dance courses and the number of projects in education (Gemeente Hengelo, 2013a). Furthermore, CREA is expected to meet up to the standers of the 'Code Cultural Governance', or explain why it does not. These goals set the domain of the accountability

relations between the cultural institutions and the municipality, but the goals also determine the expectations by the municipality (Buis, 2014). In their own 'Koersdocument' (Course Document), CREA further specifies its domain by refining the course offer (CREA, n.d.).

Furthermore, the 'Algemene subsidieverordening' (General Subsidy Regulation, GSR) lays down that an effective way of spending government money must be strived for (Gemeente Hengelo, n.d.a). In recent years, the call for effectiveness and efficiency was raised, induced by the budget cutbacks by the municipality. In the cultural vision, the possibility for gaining efficiency by sharing managers and creating different clusters of institutions is proposed (Gemeente Hengelo, 2014a). In a so-called administrative order, B&W gave the civil service a task to search for the possibilities regarding the efficiency gain and the future of the cultural field. The civil service, herein, searches for the possibilities and the future of the cultural field in cooperation with the cultural institutions. This has led to the conception that on the official level, the policy officers and the cultural institutions strive for the same goals: a well-functioning cultural infrastructure, within the limits set by B&W. The formal tasks and conditions in the implementing regulation describe the minimalist frames to which the cultural institutions have to comply with. The institutions are expected to actively participate in the search for a more efficient and effective future for the cultural sector of Hengelo (Buis, 2014).

Within the context of the cutbacks and the discussion on the future of the cultural field, a more directive and steering role is granted to the municipality (Buis, 2014; Kerkhof, 2014). Until now, the domain is perceived to be too free by CREA, which is striking. There is a wish for a more steering role of the municipality, since this would decrease competition between different subsidised institutions and therefore be more effective and efficient. CREA thinks the municipality should set sharper rules of the game, in order to let every institution excel in their own profession. Clearer demarcation of tasks would also urge the institutions to cooperate. CREA blames the municipality for having no vision and making no fundamental choices. According to CREA, this is a result of compartmentalisation within the municipality and the short political cycle, which paves the way for short-term thinking. Due to the fuzziness of the political process, the logic of vision building and acting based on this vision is missed. Within this political process, CREA has to lobby for their position in order to influence administrative orders and possible cutbacks. In their lobby and anticipation of the possible outcomes of the administrative order, CREA has opted for a merger with the HEIM museum of technology. In this way, they try to improve their position in the cultural field and the willingness of the politics toward them, in order to be spared in cutbacks (Kerkhof, 2014). As a result of this proposal, the civil service now aims at a triangular cluster between CREA, HEIM and the School of Music as a cluster (Buis, 2014).

Thus, the expectations of the municipality regarding the tasks and responsibilities of CREA are formally documented. These descriptions, however, are perceived too be to general, which paves the way for mutual competition between subsidised institutions. CREA calls for sharper demarcation of task in order for every institution to excel in their profession. A large part of the content of the relation between the municipality and CREA, however, does not relate to the current tasks, but to the future of the cultural policy in Hengelo. In the policymaking, the municipality tries to move the institutions in their direction and CREA actively lobbies and has opted for a merger with 't HEIM, in order to increase the willingness of politics and to be spared in cutbacks.

8.2   The context of accountability

In this section part, the different sources of power and the possible holders of these sources in the relation between CREA and the municipality are described. First, the formal power that is available to the municipality is described. Thereafter economic power and knowledge are discussed. Finally, the other possible beholders of power and the broader context are addressed.

Legal power sources

As CREA is a subsidised institution in the cultural sector, the cultural policy is the directive. This policy is set up in consultation with the cultural institutions. The subsidy provision is subordinate to the policy. Two distinct municipal regulations regarding subsidy provision are applicable to the accountability relation. 'Algemene Subsidieverordening' (General Subsidy Regulation, GSR) and the 'Subsidieuitvoeringsregelingen' (Subsidy Implementing Orders, SIO). The GSR is laid down by the municipal council. According to the GSR, there is no legal basis or authority that affects the general subsidy regulation. This means there is no higher authority or external power that can influence the subsidy regulations made by the municipality, other than the basic preconditions laid down in the 'Algemene Wet Bestuursrecht' (General Administrative Law) (Gemeente Hengelo, n.d.a). CREA does not execute any formal task laid down by central government legislation, which makes the local cultural sector vulnerable to cutback decisions in local politics. In order to receive the subsidy, according to the GSR, B&W can set up conditions which the organisations have to meet. Furthermore, the GSR defines that an effective way of spending government money must be strived for (Gemeente Hengelo, n.d.a). The SIO can be laid down by B&W, as is laid down in the GSR. Thus, there is a hierarchical relation between the two documents; the SIO is secondary to the GSR. In the SIO is an elaboration of the cultural policy, in which the subsidy conditions of the accountability relation between the municipality of Hengelo and CREA is specified. In the municipal regulations, in order to receive subsidies, CREA is formally dependent on the municipality, as in they have to request merger permission; supervisory board changes permission; and have to meet good-governance protocols set up by the municipality (Gemeente Hengelo, 2013a). Although it is strived for deregulation, or simplification, relaxing or abolition of regulations or restrictions and it is strived for more trust towards the organisations, the different regulations (GSR, SIO) remain rather formal, inherently to the legal nature of the documents.

Economic power sources

The accountability relation between the municipality of Hengelo and CREA is for the largest part based on the subsidy granting for the activities of CREA by the municipality. As the municipality provides the subsidies, they want a legitimation of the use of the money. More than that, the municipality has specifically set the activities which have to be performed in order to get the subsidy (Buis, 2014). For CREA, the subsidy provision of the municipality covers approximately 50 per cent of the total revenues of CREA. The tuition fees are around 30 percent and the other 20 percent are incidental subsidies, donations, performance revenues, etc (CREA, 2014; Kerkhof, 2014). This means, in order to survive, CREA is strongly dependent on the municipal subsidy. A subsidy stop, for whatever reason, would probably mean the end of CREA (Buis, 2014; Kerkhof, 2014).

Thus, the source of power, or the reason why the municipality can set conditions and determine expectations, is the economic dependence of CREA on the subsidies. The subsidy relation, however, can hardly be considered a market transaction, as the subsidy is structural and the subsidy provision is very much institutionalised. The institutionalisation (the determination of subsidy ceilings, the determination of subsidy conditions) formalise the accountability relation between the municipality and CREA, but this 'formalisation of the subsidy relation' cannot be seen as a use of formal power. When the subsidy provision would stop, the municipality would not have the formal power to enforce its expectations. As described earlier, there is no other legal basis or authority that influences the relation. Therefore, we can conclude that the source of the right to require an account from CREA is based on the fact that the municipality subsidises it.

Other possible principals and the broader context

The municipality can be considered the only or at least the most important principal by far. As CREA is a foundation that is formally independent, there are no authorities or bodies exerting formal power on it, other than the liability to the law (Buis, 2014; Kerkhof, 2014). In economic terms the participants of the course can be seen as another principal. As they are paying for a service, the probably demand a certain quality of the service. Next, the province of Overijssel is another important subsidy provider that subsidises CREA on an

incidental basis. These subsidies have to be applied for and are granted by the Provincial Executives. Furthermore, there are supporters and sponsors giving relatively small amounts of money (Kerkhof, 2014). In the broader context of the municipality-CREA relation different players have a role, such as interest groups, artists, entrepreneurs, citizens, and other government organisations such as municipalities in Twente, the regional government bodies, the province, the central government, cultural consultation east-Netherlands (Buis, 2014; Gemeente Hengelo, 2014a). The other cultural subsidised institutions can also be regarded as a competitor for CREA, to a certain extent. As they are all subsidised from the same budget, a certain extent of competition and lobbying for the highest subsidy and the smallest cutbacks is present. Furthermore, there are other private parties (schools of dance, schools of music, et cetera) competing for the students of CREA (Kerkhof, 2014). Finally, the municipality requests adequate collaboration with the other cultural institutions, collaboration and maintaining contact with the schools in Hengelo and efforts to programmatically align and collaborate within colleague-institutions within the Netwerkstad Twente (Gemeente Hengelo, 2013c).

8.3 The process of accountability

In this section part, the process of accountability between CREA and the municipality is described. The four phases of the process are addressed in succession. Together, these steps constitute the accountability relation between CREA and the municipality. The different aspects of content and context of the accountability relation come back in the process.

Selection phase

The municipality is in a leading role regarding the shaping of the process of accountability. Subsidy provision is demarked to different policy fields. The municipal council can set up a subsidy ceiling, via the annual budgets. Furthermore, the GSR determines that the institution should submit a written application in which it should be made clear how the activities of the institution contribute to the different municipal goals in the policy field (Gemeente Hengelo, 2013b). In other words: the institution should make clear how its activities link up to the domain set by the municipality (Gemeente Hengelo, n.d.*a*). The SIO determines an array of performance indicators regarding the different goals. B&W eventually determines whether the application by the institution is in line with the goals (Gemeente Hengelo, 2013a). B&W has mandated this task to the management level. There is little consult or negotiation on the subsidy conditions. These are set by the municipality on an annual basis. However, they struggle somewhat on the setting up of proper output indicators. It is difficult to establish indicators with the right level of specificity, validity and reliability. On the one hand, neither the municipality, nor CREA wants to contribute to a strong performance culture, which they feel does not suit the cultural sector. On the other hand, the municipality is looking for ways to be 'in charge' of the cultural policy (Kerkhof, 2014; Buis, 2014).

In policymaking, however, there is a lot of consultation and discussion. Regarding the cutbacks and the so-called core-tasks discussion, B&W determines the scope, the outlines, of the cultural policy. Thereafter, CREA and the policy officials jointly search the possibilities within the scope (Buis, 2014). Herein, compartmentalisation within the municipality is perceived as a problem by CREA, as different expectations by different compartments lead to fragmented policy. CREA wishes for a more integral approach by the municipality (Kerkhof, 2014).

Information phase

Before the actual provision of the tasks, the institution should submit a written application in which it should be made clear how the activities of the institution contribute to the different municipal goals in the policy field. In this application there is an application form and furthermore, the institution should include a copy of the founding act, the statutes, year report, financial report, and a balance sheet of the preceding year. It is additionally requested that the institution should include a balance sheet and year report of the preceding two years, as well as an activity overview of the last year. Furthermore, B&W can decide to require additional

information, when this is needed in order to make a decision on the attribution of the subsidy. The aim of this additional information is to limit the administrative burdens for all parties. Also, the subsidy recipient is obliged to make notice in the case when the subsidised activities cannot, not in time, or not at all, be performed according to the obligations (Gemeente Hengelo, 2013a; CREA, 2012).

Next to the application, which is performed before the execution of the tasks, the subsidised activities have to be justified afterwards. Only then, the subsidies can be officially declared by B&W. As the subsidy exceeds €50k, the request for declaration should at least consist of a report regarding the content, an overview of activities and the costs linked to it (financial report); a balance sheet and an audit statement. Specific terms regarding the terms in which the subsidy application is to be made are set in the GSR. Next to the annual subsidy application, B&W may ask for additional information (Gemeente Hengelo, 2013a; Gemeente Hengelo, n.d.a).

Discussion phase

B&W can pass judgment on the attribution of the subsidy. They have mandated the grant application to the management level. They have, however, to act according to the regulations set up by the municipal council and their own rules in the SIO (Gemeente Hengelo, 2013a; Gemeente Hengelo, n.d.a). The actual judgement regarding the conditions is done by the policy official, which also sends the annual accounts to the financial specialist. Final judgement, thus, is mandated to the management level (Buis, 2014).

Consequences phase

B&W decide whether or not an application will be acceded or not. B&W may also decide to withdraw an acceded subsidy, in case the provisions are not met (Gemeente Hengelo, 2013; Gemeente Hengelo, n.d.a). The instrument is rather seen as a back-up, than that it is actively used by the municipality. It is indicated the use of these instruments is not desirable, as it would not serve public interest and would not solve any problems. Also, it has not been necessary, since the institutions usually comply with the conditions (Buis, 2014). In recent years, CREA has never had any problems with the subsidy granting, as it has always complied with the subsidy conditions (Kerkhof, 2014).

In periods of calmer waters, the subsidy is the only way to set the conditions. In times of motion within the policy field, which is currently happening, the municipality and CREA use different instruments to influence policymaking (Buis, 2014; Kerkhof, 2014). The municipality can use their 'bureaucratic' instruments to nudge institutions in their direction. In the case the institutions do not cooperate, they can increase formality of the accountability process. The formal accountability system (much written communication, no informal communication, et cetera) is then used as an instrument to move an institution. Furthermore, the political threat of cutbacks is used as a mayor communicative instrument (Buis, 2014). This, however, can also be interpreted as an economic instrument. CREA uses its lobby and pro-active attitude as an instrument to influence political decision-making (Kerkhof, 2014).

8.4   Chapter conclusions

In this chapter, an in-depth case description of the case CREA is provided on the basis of the document analysis and the two interviews. Regarding the content, the expectations of the municipality regarding the tasks and responsibilities of CREA are formally documented. CREA calls for sharper demarcation of task in order for every institution to excel in their profession. A large part of the content of the relation relates to the future of the cultural policy in Hengelo. In the policymaking, the municipality tries to move the institutions in their direction and CREA actively tries to influence the cultural policy. The main source of power of the municipality can exert on CREA is of an economic nature. There is a certain 'formalisation' of the accountability relation, but this is nothing independently form the grant relationship. The influence of other holders of formal and economic power is nil. In the broader context, the most important parties are the other subsidised cultural institutions, with whom

CREA has to compete for the available budget. In the process of account giving, on an annual basis, before the actual execution of the tasks, CREA has to submit a grant application in which it makes clear how it complies with the conditions set by the municipality. The municipality decides to grant the subsidy or not. After the execution of tasks, CREA has to submit a justification regarding a year report, annual accounts and an audit statement. B&W may ask for additional information. In periods of calm water, the subsidy provision is the only way for the municipality to set conditions. In times of motion within the field, as is the case now, both the municipality and CREA use different instruments to influence policy-making. The political threat of cutbacks is a strong communicative/economic tool used by the municipality, whereas CREA uses its lobby and pro-active attitude as an instrument to influence decision-making.

9. THE CASE OF PRIMATO

In this chapter, an in-depth case description of the case of Primato is provided on the basis of the document analysis and the interviews. In this description, the different variables under study are discussed. In this way, it is tried to create a picture of the aspects of content and context that play a role, and the way the accountability process is shaped in the accountability relation between the municipality and Primato.

9.1 The content of accountability

In this section part, the factors determining the content of the accountability relation between Primato and the municipality are described. The relation to Primato is twofold. First, the municipality has a legal task for ensuring the accessibility of public education. Second, the municipality has a relation to Primato regarding their youth policy. In this role, they do have a relation to every school and pre-school organisation involved, regardless of the public or ideological background. This puts the municipality in a dual role towards Primato, where on the one hand the municipality approaches Primato like any other primary education organisation in the municipality, and on the other hand the municipality approaches Primato in their role as the assurer of public education. The municipality tries to keep these roles strictly separated (Gerichhausen, 2014; Van den Reek, 2014).

In their role as the assurer of accessibility of public education, they are the financial back-up for Primato (Gemeente Hengelo & Primato, 2013). Furthermore, the municipality must intervene in the case of accessibility-treats to public education (Wet op het primair onderwijs, 1981; Vereniging Nederlandse Gemeenten & VOS/ABB, 2012). This makes the municipality a stakeholder in a proper and sound management of Primato. These stakes are translated into expectations regarding the organisational model, checks and balances and integrity of administrators of Primato (Gemeente Hengelo & Primato, 2014). The model and the control should be in line with the 'good governance code' for educational organisations. The issue that is stressed regarding these expectations is the separation of control and execution (Primair Onderwijsraad, 2014). The importance of good governance codes is shared by Primato, but it stressed it is more important how it is dealt with. According to Primato, it is difficult to translate expected behaviour into a code and municipalities focus on codes too much (Gerichhausen, 2014). Furthermore, form their role follows that the municipality has the right to approve the annual budget and to agree with the year report and annual accounts (Primato, 2014a). In their role as the financial back-up for Primato, the municipality has faced difficulties when Primato faced financial problems. An advisory committee was set up and the financial guarantee was enlarged. Therefor a contract was set up, in which the information provision of Primato towards the municipality was arranged. The deployment of this arrangement was the improvement of the financial position of Primato (Van den Reek, 2014; Gemeente Hengelo & Primato, 2013).

In their role towards Primato regarding the local youth policy, the content of the accountability relation between the municipality and Primato regards different issues. First of all, as a result of administrative agreements between the municipality and central government, there is a relation regarding pre- and early school education and the so-called bridge-classes and summer schools. Early school education regards the first two years of primary education. There, the municipality carries the responsibility for the so-called bridge-classes for children facing learning difficulties. The pre-education part is in the hands of the playgrounds. Regarding the early education, different specific agreements are made regarding the policy goals of social-emotional development; language skills; mathematics and motoric development (Gemeente Hengelo & Expertis, 2012). Furthermore, the agreements focus on quality improvement of teachers; development curve improvement; parental commitment improvement. Next, the performance-based aims of effectiveness, outcome and cooperation between child-care, playgrounds and primary schools within the so-called Integrale Kind Centra (Integral Child Centres, IKC) are stressed (Gemeente Hengelo, n.d.b). Primato calls for a stronger interrelation in the provisions regarding the municipal youth policy. According to them, there are a lot of themes where the municipality and Primato have a connection. These themes are primarily flanking the core educational tasks of

the schools. According to Primato, public schools have a clearer task in certain policies than the different ideological schools (so-called special education), since they face, for instance, more children in poverty and ethical or religious minorities (Gerichhausen, 2014).

Thus, the content of the relation between Primato and the municipality is twofold. In their role as the assurer of public education, the municipality's stake is a sound system of checks and balances and proper financial management. In their role as the drafter or local youth policy, the municipality aims at different goals regarding the development of children and has performance-based expectations regarding effectiveness and cooperation. The municipality wishes to have a strict separation between the two roles.

9.2 The context of accountability

In this section part, the different sources of power and the possible holders of these sources in the relation between Primato and the municipality are described. First, the formal power that is available to the municipality is described. Thereafter economic power and knowledge are discussed. Finally, the other possible beholders of power and the broader context are addressed

Formal power sources

The municipality is in the possession of a formal responsibility for the public education within the municipality. From this legal position follows that the municipal council has to approve the budget and agree with the annual accounts. However, it is currently proposed this will be changed to a system in which there is an executive board and a supervisory board. When this change is made, the role of the municipal council will only be taking cognizance of the budget, year report and financial statement. The actual controlling tasks are spaced to the supervisory board. The relation between the municipality and Primato regarding the municipality's responsibility for the accessibility of primary education is furthermore laid down in the statutes of Primato. In the newly adopted statutes, the supervisory board appoints a director/general manager and the municipal council appoints the supervisory board. In the case of a change of the statutes, the supervisory board as well as the municipal council has the right of approval. The municipal council is furthermore entitled to turn to the director/manager for its legal task of accessibility. In the worst case scenario, when the primary process of primary education provision is endangered through mismanagement, the municipal council is entitled to dissolve the foundation. Furthermore, there is a covenant between Primato and the municipality regarding the information provision of Primato towards the municipality (Gemeente Hengelo & Primato, 2014; Primato, 2014a). In the past, the aforementioned dual role of the municipality towards public education was more evident, as the connections between the municipality and the public education organisations were closer. Now that the public education organisations have become more independent, it is the question what remains of the municipality's dual role towards public education. The elaboration of the municipality's formal responsibility for the accessibility of public education can be interpreted in various ways. One could argue the relation is now almost similar to the ideological based education organisations, except for the information provision duties and the approval of supervisory board members by the municipal council. This means there would be no dual role for the municipality anymore. The municipalities formal responsibility, however, cannot be fully neglected and therefore public education will always have some sort of special position towards municipalities. The value that is assigned to the municipality's formal responsibility and the connection between municipalities and public education may vary over different organisations, time and places. Therefore, the formal task is rather ambiguous and ambivalent (Gerichhausen, 2014).

Second, municipalities have a responsibility regarding pre- and early school education (Wet OKE, 2010; Wet op het primair onderwijs, 1981). There is a relation between Primato and the municipality with regard to the administrative agreements that are made between the municipality and central government. The administrative agreement is made between the organisation of larger municipalities (G32) on behalf of Hengelo and the Ministry of Education. Within this construction, the municipality and the organisation have committed

themselves to the administrative agreements regarding pre- and early school education. In this construction, the compliance tot the agreements is controlled by the 'Onderwijsinspectie' (Education Inspectorate) (OC&W & G32, 2011). This puts the municipality in a layered position, of being accountable to the higher government level and being the director of the local implementation of the agreements towards the organisations within the policy field (Van den Reek, 2014).

Economic power sources

Three different economic power sources can be distinguished in the relation between Primato and the municipality. First, there is the financial warranty that is a result of the municipality's responsibility for the accessibility of primary education. The amount of the guarantee is €880k. The contact that arranges the warranty sets specific terms and conditions regarding the information provision by Primato towards the municipality (inter alia: monthly overview of the bank account; quarterly financial report and report regarding the content; annual budget; long-term budget; liquidity prognosis; and the provision of education inspectorate reports) (Gemeente Hengelo & Primato, 2013). The warranty makes the municipality financially dependent on the quality of the financial management of Primato and leads to increased interweaving between Primato and the municipality. Therefore, the municipality has opted for a strong internal control mechanism within Primato (Van den Reek, 2014; Gerichhausen, 2014). Second, the administrative agreements put the municipality in a layered position, in which they are serving hatch for the subsidies provided by the ministry. The municipality and the organisations in the field have a shared responsibility for accounting towards the education inspectorate, while at the meantime the municipality has a directing role towards the organisations in the field (OC&W & G32, 2011). Third, in their 'own' local youth policy, the municipality uses grants for reaching the policy goals. In this sense, they have a subsidy-relation towards the different school and pre-school institutions, including Primato. The subsidy flows are arranged in various ways. For a part of the policy, different institutions are funded individually (Van den Reek, 2014; Gerichhausen, 2014). For these grants, the institutions have to make grant applications in which they make clear how they comply with the conditions. Partly, the subsidies are collectively granted to a partnership of organisations, such as the IKC. For the last part, subsidies are provided via third parties, which also take over the controlling over the subsidy. This is the case regarding the educational support, where the organisation of Expertis is hired (Van den Reek, 2014). The budgets regarding the local youth policy, for Primato, are relatively small. Furthermore, it is indicated that money is a steering factor in the municipal policies. As a result of the decentralisations and transitions in the social domain, from 2015, the municipality will have increased funds regarding different tasks and therefore increased economic power sources. The decentralisations are coupled with budget cuts, which urge the need for the municipality and different institutions in the educational domain to cooperate (Gerichhausen, 2014).

Knowledge

Since the municipality is formally responsible for the provision of public education within the municipality, the municipality is dependent on Primato for their knowledge and professionalism regarding the provision of public primary education. Although every organisation in the field has its own formal responsibilities and economic resources, Primato indicates that collective action in the educational field with regard to coordination and attunement of the youth policy is mainly based on the shared beliefs or the conviction of 'wanting the best for the children'. Furthermore, it is expected that the increase of municipal tasks in 2015 may make a big difference in the communication and coordination in the field in a positive way, as a result of the short lines of communication, contrary to the current large bureaucratic organisations in the field of youth care and social support (Gerichhausen, 2014).

Other power holders and the broader context

The most important formal and economic power holder for Primato is the ministry of education and the education inspectorate. The ministry is the regulator and funder of primary education and therefore the most important holder of formal as well as economic power. The education inspectorate is controlling the primary

education on behalf of the ministry both regarding the quality and the finance. In the broader context, of course the students and the parents are an important stakeholder. Furthermore, the pre-school and child care organisations are stakeholders for the schools. In the competition for students, Primato somewhat competes with other primary education organisations (Van den Reek, 2014; Gerichhausen, 2014).

9.3   The process of accountability

In this section part, the process of accountability between Primato and the municipality is described. The four phases of the process are addressed in succession. Together, these steps constitute the accountability relation between Primato and the municipality. The different aspects of content and context of the accountability relation come back in the process.

Selection phase

The process of accountability between the municipality and Primato has multiple facets. In fact, there are different processes of accountability going between the municipality and Primato at the same time. Regarding the accessibility of primary education tasks, the initiative in the selection phase is at Primato. If they want to make a change in the statutes, which determines the way the relation is shaped, they have to make a proposition to the municipal council (Primato, 2014a). Regarding the administrative agreements between G32 and the ministry, there is a once-only agreement which is achieved between the G32 and the ministry for the period of 2012-2015 (OC&W & G32, 2011). Regarding the warranty, the municipality and Primato have agreed on a long-term contract for twenty years (Gemeente Hengelo & Primato, 2013). The local youth policy is grounded in a policy plan. The policy plan is annually translated into a specific program via the subsidy implementing orders (SIO) (Gemeente Hengelo, 2013c). On the basis of the implementing orders, the different subsidy arrangements with the different (pre-) school organisations, intermediaries and collaborations are taken via grant applications (Primato, 2014b; Gemeente Hengelo, 2014b). In the determination and coordination of the local youth policy, the municipality is perceived to have a strong conflict-averse attitude, meaning they are always striving for consensus. However, this sometimes hinders a sharp discussion and clear vision (Gerichhausen, 2014).

According to Primato, in the agreement formation for the local youth policy, the municipality has two strategies. First, they take a coordinating role in the pre-school and supportive policy and second, they have a strategy of letting go of the policy. IKC is an example of letting 'the field' coordinate the policy. Primato indicates the 'letting-go' by the municipality has always been a desire by the (pre)-educational field. However, when it was finally realized, it turned out to be less of a success as it was expected to be, since coordination and attunement was perceived to be difficult without an 'independent coordinator' (Gerichhausen, 2014).

Information phase

The administrative agreements between the G32 and the ministry of education are monitored by the educational inspectorate. This is done in a specific and detailed way, using scorecards, monitoring tables, et cetera. The result is detailed performance information regarding the different involved institutions regarding the different agreements (OC&W & G32, 2011). Regarding the financial warranty, the municipality and Primato have agreed on the information provision regarding the financial position of Primato in the contract. The financial information that should be provided is the annual budget, the long-term budget, annual accounts, liquidity prognosis, strategic plans influencing the situation, and reports regarding the financial situation by the education inspectorate (Gemeente Hengelo & Primato, 2013). In the covenant, the information provision from the foundation towards the city council is arranged. Annually, the year report regarding the quality, professionalism and quality care systems have to be provided, as well as accountant's findings and possible education inspectorate reports. Furthermore, it is arranged the board of Primato is obliged to arrange biannual informative meetings for the city council. Finally, Primato is obliged to immediately inform the municipal council

in the case of intensified control or measurements by the education inspectorate (Gemeente Hengelo & Primato, 2014). Regarding the municipality's youth policy, the municipality has the so-called Youth Monitor, in which the effects of the different pillars in the youth policy are evaluated on a two-year basis (Van den Reek, 2014).

Discussion/consequences phase

Regarding the accessibility of primary education tasks of the municipality, the municipality is only in the possession of the right to be informed about the budget and the annual accounts. Furthermore, the municipality has the right of approval for supervisory board members and changes in the statutes. The municipality actively uses these rights, as recently they rejected a change of statutes (Gemeente Hengelo, 2014c). In such a case the board of Primato has to put a new proposition to the vote, in which it meets the wishes by the municipal council, or come up with a well-founded reasoning why they do not meet these wishes. The monitoring of the administrative agreements by the education inspectorate induces the municipality to take a directive role in the coordination and execution of these agreements, as for they are dependent on the subsidies by the ministry (Van den Reek, 2014). Regarding the local youth policy, the subsidy provision and the possibility of ending these subsidies is the instrument to steer the policy of the different institutions (Gerichhausen, 2014). The municipality indicates however, that a clear sanctioning model regarding the municipal youth policy is not in place and is not needed, as the different institutions are willing and motivated to cooperate. Therefore, the sanctioning is more about quality improvement on the basis of mutual agreement than on hard sanctioning (Van den Reek, 2014). From this follows that the new governance model of Primato is primarily focused on better and 'purer' internal control, rather than a tool for external control or sanctioning. The possibilities for external sanctioning and control are limited. However, the municipality still has the opportunity to intervene in case of severe problems. The spacing of tasks is ambivalent in municipal politics. They endorse the fact that internal control should be improved, but they are frightened of pushing off responsibilities (Gerichhausen, 2014).

9.4   Chapter conclusions

In this chapter, an in-depth case description of the case Primato is provided on the basis of the document analysis and the interview. Regarding the content, of the relation between Primato and the Municipality is twofold. In their role as the assurer of public education, the municipality's stake is a sound system of checks and balances and proper financial management. In their role as the drafter or local youth policy, the municipality aims at different goals regarding the development of children and has performance-based expectations regarding effectiveness and cooperation. Formal power sources flow from the legal task for municipalities to assure accessibility of public educations. The municipality has the right of approval for changes in the statutes of Primato and the right of approval for the appointment of supervisory board members. Furthermore, the municipality is informed about the financial position of Primato as a result of the financial warranty contract. Economic power sources are used by the ministry to influence the execution of the administrative agreement between the municipality and the ministry. The municipality furthermore uses its own subsidies in relation to the different organisations in the policy field for their youth policy. As a result of these different sources of power and different policies, the process of accountability between the municipality and Primato is diffuse. Different information provision obligations have to be met, and different forms of discussion and consequences are present. In the local youth policy, the municipality also has ambivalent positions and routines.

10.   ANALYSIS

In the previous chapter, the different cases are described in-depth, on the basis of the analysis of the documents and the interview transcripts. In this chapter, the analysis of the data is presented. Therefor the different ways in which accountability is shaped in the different cases are compared and it is tried to find overarching issues and themes, which can tell us something about the aspects that have a role in accountability between the municipality and local public institutions. In order to do so, first, the different parts of accountability are discussed separately in which the implications and outcomes will be presented. Thereafter, the empirical research questions are answered.

10.1 The content of accountability

Regarding the content of accountability, an answer for the following research question is sought:

Empirically, which aspects regarding content play a role in the process of accountability between the municipality of Hengelo and different public institutions?

As a result of the different tasks of the different institutions, the content of the different municipality-institution relations is diffuse. On the generalised level, the content of the municipality-SON relation regards the provision of different services regarding the task of debt assistance. There is a discussion on the way the services should be offered and the role-perception of SON and the municipality. The main issues regarding the municipality-ZGT relation is the stake of Hengelo in the accessibility and quality of healthcare for the people of Hengelo. Correspondingly, communication and the joint action of ZGT and the municipality in public opinion forming are part of the content of the relation. In the relation between Welbions and the municipality, affordable living, the creation of vital neighbourhoods, cooperation, and effectiveness and efficiency are designated the main themes. In the relation between CREA and the municipality, the content of the accountability relation regards the enhancement of cultural identity, awareness and infrastructure, in which it is focused on learning and presenting. Finally, in the relation between Primato and the municipality, the content of the relation regards checks and balances, financial management, and different policy aims regarding the development of children in the municipal youth policy.

The content of accountability is not a single, given subject. On the generalised level, in the accountability relations, often a mixture of different expectations and aims is found. The determination of preferences and expectations is a process in which different stakeholders have different expectations and stakes, which have to be combined in some way or another. An interesting and relevant question is how these different claims to legitimacy are translated in a single set of criteria of conditions. A comparative assessment has to be made in which the different values and aims are assessed on the basis of their degree of importance. Within these processes, different things are striking.

First, there can be different levels of specificity regarding different aims or ends, even within the same accountability relation. In the case of CREA, for instance, the policy aims regarding content, such as the artistic education, dance, theatre, et cetera, are well-defined and specified. The expectations regarding effectiveness and efficiency, however, are not explicated to the same level of specificity. In the case of CREA, this is a thought-out strategy, as the municipality does not want to determine the internal management of CREA (Buis, 2014). Also, in the covenant between Welbions and the municipality, some agreements are fleshed-out further onto a much specified level, whereas in other cases do not get to a level of such specificity (Gemeente Hengelo & Welbions, 2013).

Second, there can be problems that could be called *internal policy competition:* in various situations, the municipality as a whole advocates different interests, where internally, these different, conflicting interests need

to be settled. Compartmentalisation of the municipal organisation is repeatedly stressed as a problem paving the way for these conflicts, which hamper an integral approach towards the institution. Internal coordination and alignment often fail. The following examples illustrate this problem. In the case of Welbions, the municipal tax department had decided to set a sewage charge for every house-owner. Due to central government regulation on the rent height, Welbions could not pass this charge to its renters and would lose the largest part of their investment budget if they would have to pay the charges themselves. This prospect sets up the municipal spatial planning department and eventually, the municipality has decided withdraw the sewage charge (Meijer, 2014; Van Zaal, 2014). In the case of CREA, the societal development department that is responsible for the funding of the cultural institutions wants the institutions to go 'into the neighbourhood' and try to find the connection to the people of Hengelo on the neighbourhood level, in the community centres. Another municipal department, responsible for the funding of community centres, wants these centres to be more entrepreneurial by charging a rent for users of the centre. These rents withhold CREA to expand activities in the community centres (Kerkhof, 2014).

Third, there can be problems that could be called *external policy competition*: Due to the context (SON is in a JR; Municipality and Welbions having to cooperate; etc.) or out of the municipality's own conviction, the content of the relation between the different institutions is often determined in cooperation or consultation. As there is policy competition within the municipality, between the municipality and different institutions this competition is also present, and possibly larger. The intensity of these problems is dependent on the number of stakeholders the municipality has to, or wishes to, cooperate with, the extent of power of these stakeholders and the extent to which their views converge or diverge. In the case of SON, the aims have to be discussed and determined with 21 other municipalities with the same extent of power. The number of stakeholders is large, but their positions and stakes are relatively homogeneous. In the relation between Welbions and the municipality, the number of stakeholders is relatively little and power is rather equally divided, but the parties may have fundamentally different views. Therefore, in the case of Welbions, it has been chosen to start a trajectory of joint vision creation, which has increased mutual understanding and trust.

Fourth, the determination of the content may be disconnected. Within the municipality, the determination of preferences or expectations is often a process of integral decision-making and coordination. Since the political debate is often focused on incidents and is perceived to be grafted on short-term thinking as a result of the political cycle, in the political debate, often one issue is picked out. The single-issue focus of politics is perceived to hamper good and integral determination of preferences. In the case of CREA, the fuzziness of the political process has led to the absence of a logical connection between the content of the cultural policy and the claims for efficiency and the underlying debate of cutbacks. Being aware of the political processes and stakes, and the way they influence the (future) content of the accountability relation, CREA pro-actively lobbies and tries to influence decision-making (Kerkhof, 2014).

Fifth, there might be a disconnection between the formalised and informal expectations. In the cases of SON and CREA, the formal ways in which expectations on the domain and the relation between the municipality and the institution are expressed, do not encompass the full range of expectations. This might be a result of the organisational structure and the contextual factors in which the relation is embedded, which is the case in the case of SON. It might also be the result of the politics or the anticipating towards future formal expectations, such as is the case with CREA, as has just been described. In the case of Primato, in some way, it is the other way around. The formal expectations or responsibilities are more comprehensive than the actual expectations and aims the municipality has.

Thus, the content of an accountability relation is often shaped by a mixture of different expectations and aims. It is intriguing how the processes of getting to the content of accountability take place. Regarding the creation of

content, five things are striking: there can be different levels of specificity of expectations; there can be internal policy competition problems; there can be external policy competition problems; the determination of content may be disconnected; and finally, formalised and informal expectations may be disconnected.

Table 15 recapitulates the main issues regarding content within the different cases.

	Domain/expectations	Underlying logics/beliefs
SON	Provision of different debt assistance services; efficiency; role-perception and the way services should be delivered	Clash of interests in the methods of service delivery as a result of role-perception; expectations ill-translated into formal accountability process
ZGT	Accessibility and quality of healthcare for the people of Hengelo	Shared conviction of a 'responsibility' for healthcare. Different views on the means to reach this. Municipalities' influence limited as a result of the context.
Welbions	Affordable living, the creation of vital neighbourhoods, cooperation, and effectiveness and efficiency	Shared vision creation, in which different levels of specificity, internal and external policy completion problems play a role
CREA	Enhancement of cultural identity, awareness and infrastructure	Disconnected, politicised content determination, in which interests move beyond the actual content.
Primato	Checks and balances, financial management, and different youth policy aims	Different expectations as a result of a dual position. Strong focus on formal accountability on the one hand; and different collaborations regarding youth policy

TABLE 15: MAIN ISSUES REGARDING CONTENT

10.2 The context of accountability

Regarding the context of accountability, an answer for the following research question is sought:

Empirically, which aspects regarding context play a role in the process of accountability between the municipality of Hengelo and different public institutions?

The context of accountability has proven a very important determinant of an accountability relation. However, it has also to be proven to be very case-specific. Furthermore, it is the specific combination of contextual factors that determine the actual position of the municipality in relation to the institution. Therefore, it is chosen to describe the power sources and the broader context separately for every case. It is tried to highlight the most important factors determining the extent to which the municipality can 'rule' over the organisation; the extent to which a hierarchical relation exists.

Stadsbank Oost-Nederland – One of the many principals
The position of being one of 22 principals in the board of SON significantly limits the power of the municipality over SON. As a result of the 'extended administration' of a joint regulation, it is difficult for the municipality to criticize or demand different services from SON, as they themselves are responsible for the administration of SON. The relative large group of decision-makers hampers smooth decision-making, it complicates the organisation of official consults in preparing of general board meetings and the larger municipalities, such as Hengelo, have a disproportionate vote in relation to their financial input and share of costumers of SON. The involvement in the JR obliges the municipality to take the services of SON regarding debt management and debt mediation. Quitting the JR is a complicated and costly undertaking, which makes that the municipalities are somewhat caught in each other's power. SON is financially dependent on the funding municipalities, as the

general board annually determines the budget. In recent years, the general board has implemented several rounds of cutbacks, calling for greater flexibility and efficiency regarding the execution of tasks by SON. The municipalities themselves, however, can decide what products to take. Municipalities closely monitor the exceeding of budgets for debt assistance and steer the demand of services. In this way, SON is faced with efficiency and flexibility demands from two sides. Thus, regarding economic power, the municipality partly has its own discretion on the budget, but is partly dependent on the decision-making within the general board. Regarding knowledge or communication as a power source, the specific competences and the specificity of tasks make the municipality epistemologically dependent on SON for their legal tasks of debt assistance. In the broader context, central government regulations influence the execution of tasks by SON. Furthermore, for several services, there are private parties which may compete with SON. Thus, the municipality holds an extent of formal and economic power over SON. However, due to the participation in the joint regulation, a large part of the power has to be shared with the other participating municipalities, creating in interdependence relation to these municipalities. Furthermore, the specificity of the tasks executed by SON and the fact that an exit option is not an obvious option, a makes the municipality relatively dependent on SON for the execution of their formal debt assistance tasks.

ZGT – Informed spectator

Since formal and economic power sources are absent, for the municipality, very little power remains in their relation to ZGT. In the absence of formal and economic power, the municipality actively uses its knowledge and communicational instruments to convince ZGT that they are an important partner and have a legitimation to, at least, be informed about the policy of ZGT. The use of political communication instruments and trust-building has worked to the extent that ZGT is now actively informing their stakeholder. However, for ZGT, the municipality is no more than a stakeholder. They are dependent on other power holders of formal (Ministry; IGZ) and economic (Insurers) power holders, which do have a more hierarchical relation over ZGT. In the broader context, the technological development and specialisation of hospital care is an external influence on the relation, as well as the changes in social support, which possibly conjoin the municipality and ZGT in the chain of care in the future. Thus, the municipality is in a dependent rather than a powerful position towards ZGT, which makes it difficult to speak of a real principal-agent relation. However, the municipality has managed to convince the ZGT of their legitimation to be informed.

Welbions – Inevitable cooperation

As a result of the legal tasks for both Welbions and the municipality, the two organisations are forced to cooperate. There is no legal basis that puts the municipality in a hierarchical relation towards Welbions. However, as a result of their different legal tasks and responsibilities, cooperation is perceived to be inevitable. Therefore, the municipalities are obliged to make performance agreements with corporations. Welbions and the municipality have done so in a covenant. Economic power over the domain by the municipality is relatively little. However, due to the loan-provision construction between Hengelo and Welbions, a relation of mutual economic interdependence is created. The most important other holder of power is central government. In their regulations and legislation, they determine the whole playground in which the corporations and the municipalities have to cooperate. Central government's policy is perceived to be volatile, fundamentally changing the role of corporations regularly. It is feared new policies will disrupt the 50/50 relation between the municipality and Welbions, which is the basis for the covenant, to a more hierarchical mode of control. In the broader context, different organisations, such as care organisations, are important players for the municipality and Welbions to realise their joint ambitions. Thus, the relation between the municipality and Welbions is perceived of one of equivalence, in which there is no real formal or economical hierarchy. The relation, for the largest extent, is heavily influenced and can be altered by central government, which is therefore a very powerful actor.

CREA – Classical principal-agent relation

In terms of context, the relation between CREA and the municipality can be conceived as the most 'classical' principal-agent relation of the cases investigated. The relation between the municipality and CREA is for the largest part based on the subsidy granting for the activities of CREA by the municipality. The municipality has specifically set the activities which have to be performed in order to get the subsidy. For CREA, the subsidy provision of the municipality covers approximately 50 per cent of the total revenues of CREA, which makes CREA is strongly dependent on the municipal subsidy. There is a certain 'formalisation' of the subsidy relation, as the conditions and goals are laid down in municipal legislation. However, the municipality is not in the possession of the formal power to enforce its expectations, when the economic power is absent. The municipality can be considered the only or at least the most important principal by far. As CREA is a foundation that is formally independent, there are no authorities or bodies exerting formal power on it. Economic power can be exerted by the participants (customers) and other subsidising bodies (such as the province). Thus, the relation between the municipality and CREA is rather hierarchical, based on the economic power the municipality can exert on CREA.

Primato – Multifaceted relation

In terms of power sources, the relation between Primato and the municipality can be regarded as the most diffuse. The municipality has different roles towards Primato, which it wishes to keep separated. Formal power sources flow from the legal task for municipalities to assure accessibility of public educations. The municipality has the right of approval for changes in the statutes of Primato and the right of approval for the appointment of supervisory board members. Furthermore, the municipality is informed about the financial position of Primato as a result of the financial warranty contract. Economic power sources are used by the ministry to influence the execution of the administrative agreement between the municipality and the ministry. The municipality furthermore uses its own subsidies in relation to the different organisations in the policy field for their youth policy. The most important formal and economic power holder for Primato is the ministry of education and the education inspectorate. The ministry is the regulator and funder of primary education and therefore the most important holder of formal as well as economic power. The education inspectorate is controlling the primary education on behalf of the ministry both regarding the quality and the finance. As a result of these different sources of power and different policies, the process of accountability between the municipality and Primato is diffuse. Different information provision obligations have to be met, and different forms of discussion and consequences are present. Thus, the relation between Primato and the municipality is multifaceted, based on the different formal and economic sources of power and different hierarchical positions.

Table 16 gives an overview of the main issues regarding the context of accountability within the different cases.

	Formal power	Economic power	Knowledge	Other power-holders	Broader context
SON	Formal power shared with 21 other principals	Economic power by municipality over SON	Municipality is dependent as a result of task-specificity	Strong influence other 21 principals	Cooperation, accreditation organisations, competition
ZGT	No formal power sources	No economic power sources	Communicative power used to legitimize municipalities' stake	Ministry of Healthcare, IGZ and insurers as main principals	Other parties in the chain of (health)-care
Welbions	Inevitable cooperation as result of legislation	Relatively little; economic interdependence as result of loan-construction	Interdependence for specific tasks	Central government and agencies as most important principals	Care-organisations as the main important players
CREA	No formal power; formalised economic power	Strong economic power; municipality main funder	Relatively little influence of knowledge factors	Relatively little influence of other power-holders	Collaboration-partners
Primato	General formal municipal responsibilities	Little; small budgets for youth policy	Municipality dependent on professionalism regarding education tasks	Central government and agencies as most important principals	Other primary education organisations; pre-schools; youth-care organisations

TABLE 16: MAIN ISSUES REGARDING CONTEXT

10.3 The process of accountability

Regarding the process of accountability, an answer for the following research question is sought:

Empirically, how do the aspects regarding content and context relate to the process of accountability?

The process of accountability is shaped differently in every relation. In the relation between SON and the municipality, the formal process of accountability is channelled through the annual approval of the year report, the annual accounts, and the budget approval. In the case of SON, however, this process does not encompass the comprehensive content of the accountability relation, as an account of the operational content is missed. In the case of ZGT, account giving, to the extent this is the matter, occurs on an incidental basis, determined by ZGT. In the case of Welbions, the covenant that Welbions and the municipality have set up is comprehensive and the account is evaluated on an annual basis. In the case of CREA, the process of accountability is shaped via the annual process of grant application and allocation. Finally, in the case of Primato, different processes of account giving separately take place. A number of issues are striking in the processes of accountability.

First, in most cases, the process of accountability is ongoing. This means there is not an actual process with an assignable beginning or ending. Discussions and consequences often coincide with the selection phase of a 'new' process of accountability. Therefore, in the cases under study, there is a cycle of accountability rather

than a process of accountability. This makes it is sometimes difficult to make a distinction between phases of discussion, consequences and selection.

Second, accountability takes place on different levels and in different timespans. In the process of accountability between SON and the municipality, for instance, there is the annual cycle of accountability via the year report, annual accounts, et cetera, on the administrative level and there a monthly cycle of reckoning the services by SON to the municipality on the operational level.

Third, there might be a disconnection between the content of an accountability relation and the process of accountability. The content might be more extensive than the process of accountability and vice versa. The first is the case in the relation between SON and the municipality. The actual expectations on the execution of tasks are more comprehensive than can be influenced via the process of accountability. The latter is the case in the case of Primato, where the formal ways of account-giving exceed the domain to which the municipality has expectations. This problem might have two sources. First, there might be difficulties in translating the content into the cycle of accountability as a result of the context. In the case of SON, for instance, the organisational form of the joint regulation hampers the municipality to properly translate its expectations regarding the execution of tasks by SON into the cycle of accountability. This makes that the cycle of accountability is sometimes perceived as a cycle of 'formalities', in which the 'real problems' are not addressed. Second, there might be difficulties of translating the actual content into the cycle of accountability as a result of the nature of the content. In the case of CREA, for instance, it is perceived that the nature of the expectations make it difficult to set up measurable performance-indicators. In this case, thus, the choosing of the right indicators reflecting the expectations by the municipality is problematic.

Fourth, difficulties are perceived regarding the different organisational layers in relation to the process of accountability. The contextual factor of the organisational form of the process of accountability is often believed to hamper good decision making. In many cases, selection or discussion on the content of the accountability relation takes place in forums of higher management or administrative levels of the organisation. In several cases, it is indicated that the aldermen or executives have to make decisions on which they are not properly informed, as problems are faced in the connection between the operational level and the management levels of the organisations. In the case of Welbions, for instance, it is indicated inter-organisational contact on the operational level as well as the administrative level is well-organised. However, on the (middle)-management level, the connection is below standard. This is indicated to be problematic, as this is precisely the level where the aforementioned inter- and intra-organisation conflicting aims and expectations have to be settled. In the case of SON, it is indicated proper preparation of decision-making in the general board on official level is missed and the role of the policy officials platform exploited insufficiently.

Fifth, there is a problem of the so-called role perception. Policy officers, managers and staff, and the broader contexts of the organisations are often in multifaceted positions, in which they have to cope with multiple interests. Personal interests or interests of the department sometimes collide with interests of the management level. Furthermore, interests of the people at the municipal operational level sometimes interweave with the interests of the institutions. In a certain way, the policy officers on the operational level may feel associated with the interests of the organisations in their field rather than with the goals by the management or B&W, which is induced by their intentions of cooperation, beliefs and expertise. Furthermore, the municipality's role perception may not match with the expectations by the institutions. In the case of CREA, for instance, the municipality wants involvement and cooperation in the determination of the content of the relation. CREA, however, expects the municipality to take a more directing and demarking role. Next, the roles of the municipality as perceived by the public and politicians do not always match to the context of an accountability relation. In the case of ZGT, this comes forward in the most concrete way. Public opinion and politicians want the municipality to take a more

active role in the discussion regarding the movement and reorganisation of ZGT. The municipality, however, is not in the possession of power sources to do so. Finally, different roles of the municipality lead to segregated subsidy granting, which subsequently leads to segregated processes of accountability. Different funds for reaching different policy aims have to be applied and account for separately, which are perceived as administrative burdens. This is the case in the relations to Primato and CREA.

Table 17 gives an overview of the main issues regarding the accountability process within the different cases.

	Selection	Information	Discussion/consequences
SON	Selection and content determination perceived as 'formalities'; steering regarding content missed; problems of role-perception	Formal information provision on management and operational level	Discussion around the annual budget, disconnection between content and process; problems with different layers
ZGT	Administrative consultations in which information provision is arranged	Information provision on incidental basis and in administrative consultations	Political discussions and public opinion influencing
Welbions	Selection in a joint process of setting up the covenant	Information provision on the outcomes of the covenant in officials and administrative consultation	Adjusting and refining agreements and vision; trust-building; problems of compartmentalisation
CREA	Formalised subsidy-granting; problems of disconnection between content and process	Formal information provision obligations; strategic information sharing	Formal consequences/rewards; compartmentalisation; problems of role-perception
Primato	Formal accountability obligations; additional agreements regarding policy aims	Formal information provision and administrative and official consult	Disconnection between content and process; problems of role-perception

TABLE 17: MAIN ISSUES REGARDING THE ACCOUNTABILITY PROCESS

10.4 Chapter conclusions

In this chapter, the findings of the analysis of the data are presented. Therefor the different ways in which accountability is shaped in the different cases are compared and it is tried to find overarching issues and themes, which can tell us something about the aspects that have a role in accountability between the municipality and local public institutions. Now this is done, the empirical research questions are answered.

Empirically, which aspects regarding content play a role in the process of account-giving between the municipality of Hengelo and different public institutions?

The content of an accountability relation is often shaped by a mixture of different expectations and aims. Regarding the creation of content, five things are striking: there can be different levels of specificity of expectations; there can be internal policy competition problems; there can be external policy competition problems; the determination of content may be disconnected; and finally, formalised and informal expectations may be disconnected.

Empirically, which aspects regarding context play a role in these processes?

Different contextual aspects play a role in the different cases. In the case of SON, the municipality holds an extent of formal and economic power over SON. However, due to the participation in the joint regulation, a large part of the power has to be shared with the other participating municipalities, creating in interdependence relation to these municipalities. Furthermore, the specificity of the tasks executed by SON and the fact that an exit option is not an obvious option, a makes the municipality relatively dependent on SON for the execution of their formal debt assistance tasks. In the case of ZGT, the municipality is in a dependent rather than a powerful position towards ZGT, which makes it difficult to speak of a real principal-agent relation. The relation between the municipality and CREA is rather hierarchical, based on the economic power the municipality can exert on CREA. Finally, the relation between Primato and the municipality is multifaceted, based on the different formal and economic sources of power and different hierarchical positions.

Empirically, how do the aspects regarding content and context relate to the process of accountability?

First, in most cases, the process of accountability is ongoing. This means there is not an actual process with an assignable beginning or ending in which content and context are 'determined'. Rather, it is a process of adjustment and reassessment. Second, account-giving takes place on different levels and with different timespans. Third, there might be a disconnection between the content of an accountability relation and the process of accountability. Fourth, difficulties are perceived regarding the different organisational layers in relation to the process of account-giving. Fifth, there is a problem of the so-called role perception.

11. CONCLUSIONS

After the analysis of the different data sources, the main- and sub research questions can be answered. First, the sub questions are answered:

Theoretically, which aspects regarding content play a role in accountability relations?

The content of accountability regards the domain of an accountability relation and the expectations by the principal regarding the duties of the agent in the domain (how and what). These expectations are determined by a normative conception of legitimate behaviour of the agent by the principal, which are grounded in different so-called legitimacy claims. These claims can regard justice, legality, democracy or performance.

Theoretically, which aspects regarding context play a role in accountability relations?

The context of an accountability relation determines the different types of power sources that are available to a principal. The availability or absence of formal or economic power and/or knowledge, determines the extent to which a principal can 'rule' over an agent, and which instruments are available to the principal. There may, however, be other principals that also have a certain power over the agent. This complicates and influences the process of accountability between the municipality and an institution.

Theoretically, how do the aspects regarding content and context relate to the process of accountability?

The process of accountability involves different steps of selection, information, discussion and consequences. Within these steps, different communications between the principal and the agent shape the accountability relation. In the process of accountability, the content and context of a relation converge into a process of different steps that together constitute accountability.

Empirically, which aspects regarding content play a role in the process of account-giving between the municipality of Hengelo and different public institutions?

The content of an accountability relation is often shaped by a mixture of different expectations and aims. The determination of the content of an accountability relation can be fuzzy and unfathomable. Regarding the creation of content, five things are striking: there can be different levels of specificity of expectations; there can be internal policy competition problems; there can be external policy competition problems; the determination of content may be disconnected; and finally, formalised and informal expectations may be disconnected.

Empirically, which aspects regarding context play a role in these processes?

Different contextual aspects play a role in the different cases. In the case of SON, the municipality holds an extent of formal and economic power over SON. However, due to the participation in the joint regulation, a large part of the power has to be shared with the other participating municipalities, creating in interdependence relation to these municipalities. Furthermore, the specificity of the tasks executed by SON and the fact that an exit option is not an obvious option, a makes the municipality relatively dependent on SON for the execution of their formal debt assistance tasks. In the case of ZGT, the municipality is in a dependent rather than a powerful position towards ZGT, which makes it difficult to speak of a real principal-agent relation. The relation between the municipality and CREA is rather hierarchical, based on the economic power the municipality can exert on CREA. Finally, the relation between Primato and the municipality is multifaceted, based on the different formal and economic sources of power and different hierarchical positions.

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After the sub questions are answered, the main research question of this master thesis can be answered:

In relationships between the municipality of Hengelo and institutions in the public domain, what aspects play a role in the organisation of accountability, and how do these aspects relate to each other?

Accountability is a mechanism that organises delegations of power over a certain domain or responsibilities from a so-called principal to a so-called agent, in which the agent has the obligation to give account of his or her conduct to the principal. In accountability relations, aspects that play a role in the organisation of accountability can be divided into content, context and process factors.

The *content factors* regard the domain of an accountability relation and the expectations by the principal regarding the duties of the agent in the domain (how and what). These expectations are determined by a normative conception of legitimate behaviour of the agent by the principal, which are grounded in different so-called legitimacy claims. In the relationships between the municipality of Hengelo and different public institutions, the content of an accountability relation is often shaped by a mixture of different expectations and aims. Regarding the creation of content, five things are striking: there can be different levels of specificity of expectations; there can be internal policy competition problems; there can be external policy competition problems; the determination of content may be disconnected; and finally, formalised and informal expectations may be disconnected.

The *context factors* of an accountability relation determine the different types of power sources that are available to a principal. The availability or absence of formal or economic power and/or knowledge, determines the extent to which a principal can 'rule' over an agent, and which instruments are available to the principal. There may, however, be other principals that also have a certain power over the agent. In the accountability relations between the municipality of Hengelo and the different public institutions, different contextual aspects play a role in the different cases. In the case of SON, the municipality holds an extent of formal and economic power over SON. However, due to the participation in the joint regulation, a large part of the power has to be shared with the other participating municipalities, creating in interdependence relation to these municipalities. Furthermore, the specificity of the tasks executed by SON and the fact that an exit option is not an obvious option, a makes the municipality relatively dependent on SON for the execution of their formal debt assistance tasks. In the case of ZGT, the municipality is in a dependent rather than a powerful position towards ZGT, which makes it difficult to speak of a real principal-agent relation. The relation between the municipality and CREA is rather hierarchical, based on the economic power the municipality can exert on CREA. Finally, the relation between Primato and the municipality is multifaceted, based on the different formal and economic sources of power and different hierarchical positions.

The *process factors* of an accountability relation involve different steps of selection, information, discussion and consequences. Within these steps, different communications between the principal and the agent shape the accountability relation. In the accountability relations between the municipality of Hengelo and different public

institutions, the process of accountability is often ongoing. This means there is not an actual process with an assignable beginning or ending in which content and context are 'determined'. Rather, it is a cycle of adjustment and reassessment. Second, accountability processes take place on different levels and with different timespans. Third, there might be a disconnection between the content of an accountability relation and the process of accountability. Fourth, difficulties are perceived regarding the different organisational layers in relation to the process of accountability. Finally, there is a problem of the so-called role perception

12. RECOMMENDATIONS AND DISCUSSION

The final chapter of this master thesis regards the recommendations and discussion. With the recommendations, it is tried capture the 'lessons to be learned' from this thesis for the municipality of Hengelo. The main issues to take notice of in the organisation of accountability are highlighted. In the discussion, the strengths and weaknesses of the research are critically expounded.

12.1 Recommendations

Here, the most important recommendations for the municipality of Hengelo are presented. The aim of the master thesis is to get a better insight in the aspects that influence accountability between the municipality and the different institutions. The municipality wants to use the outcomes of the research as a basis for a broad discussion on the organisation of 'shared accountability' between the municipality and local public institutions, and the role the municipality plays in this matter. Within this discussion, the following points are important.

Be aware of the different point of views
In the organisation of accountability, it is important to take notice of the fact that the content of the accountability relation (what is the relation about) is not a given thing. Different intra- and inter-organisational stakes play a role in the determination of the content of an accountability relationship. Paying attention to different point of views and channelling the discussion at the start may harvest more satisfactory and more comprehensive accountability relations at the end. Furthermore, it is important to be aware of the political environment in which the content of an accountability relation is often determined. Politics may be fuzzy and irrational, which may lead to a disconnected content determination, in which the viewpoints and beliefs of professionals on the operational levels diverge from those in the administration. In order to prevent this disconnection between the operational and the political reality and prevent ambivalent positions, sound vertical coordination between different management and operational levels (top-down and bottom-up) is needed. In order to do so, a high level of flexibility by the professionals on the operational level and a more consistent line and sharp vision on the administrative level must be strived for.

Consider the right level of specificity
Some expectations are made very explicit and explicated in detail, whereas others expectations remain more general or even implicit. It is important to think of 'what are we actually demanding' of an institution. There might be good reasons for choosing different levels of specificity regarding different expectations. There might for instance be specific and measureable goals regarding quality, but the functional question of how to reach dese goals is left to the management of the institution. Furthermore, it is sometimes difficult to create measurable and specific performance indicators rightly reflecting the expectations. In such cases it might be better to choose a higher level of specificity of agreements rather than to create imperfect indicators.

Consider the right level of selection/discussion
Next, accountability can be organised on different management levels. It is important to be aware of the multi-layered character of most accountability relations and consider the best level to organise selection (determination of preferences) and discussion (assessment of the account). This consideration should be made in combination with the aforementioned considerations regarding the levels of specificity of accountability. When choosing to organise accountability on different levels of specificity on different management levels, it is important to align and harmonise the content of accountability into the different levels. It is often the case that accountability problems or dissatisfaction on the operational level are not properly translated into the accountability process on the higher levels.

Avoid internal policy competition
In the formation of accountability, often problems of compartmentalisation play a role. The municipality is an organisation representing a diverse range of interests and goals, which do not always align. Different municipal

compartments are often inclined to (implicitly) compete with one another for reaching their goals. This might be problematic in the relation to different institutions, especially when the content of the accountability concerns different municipal compartments. But also in cases where the policy aim conflicts are less obvious, good coordination may lead to synergy. It is important to settle conflicts in determining the content of an accountability relation. Herein, vertical and horizontal coordination are essential, which means different compartments should improve mutual cooperation and coordination (horizontal) and improve translation to different management levels, top-down as well as bottom-up (vertical). This is topical a matter of internal management within the municipal organisation.

Be aware of other power-holders
Being aware of the context in which accountability relations are formed is one of the most important issues in the determination of accountability. It is important to be aware of the fact that an institution or organisation often faces multiple claims by different principals. It might be very helpful to determine what the important stakeholders that might influence the municipality-institution relation are and what their power position is. Power can have different formal, economic or knowledge sources. Power can be diffused or concentrated.

Be aware of the point of views of other power-holders
Facing other powerful institutions 'imposing' their will on the institution at stake does not have to be problematic, as long as the views on the content of the other power-holder converge with the municipalities' views. Being aware of the combination of the points of view of important power-holders and the extent of power they can exert leads to better insights in the position of the municipality towards the institution. This may feed strategic approaches towards the institution. For instance, when faced with several power-holders having a greater extent of power than the municipality itself, it might be advisable to form a coalition with a power-holder with a viewpoint that converges with the municipalities' viewpoint. On the other hand, in a position of being in a powerful position as the municipality itself, one has the opportunity to be more 'demanding' towards the institution and the reckoning with other stakeholders' views is less urgent. When in the opportunity to take a 'demanding' role, it might often be desirable to actually take this role, as this is what the institutions do expect.

Align the content and the process of accountability
The process of accountability regards the actual 'instrument' that arranges an accountability relation. It is important to pay attention to the fact that there is a possibility that this instrument does not always encompass the full range of expectations the municipality may have. An instrument may, for instance, encompass an account of the effectiveness and efficiency of an organisation, but may lack an account of the quality of services. Being aware of the discrepancies between the content and the process of the accountability relation, may lead to the adjustment of the organisation of accountability (by including the lacking issues), but sometimes this is impossible (as a result of the context of the relation) or undesirable (we do not want to engage in this matter). It is important to clarify these discrepancies and considerations, as it may help to in the clarification of the position and vision of the municipality. Furthermore, the clarification of the disconnection between the content and the process of accountability may also prevent the aforementioned disconnection between the operational and political reality, which will also avoid the ambivalent positions professionals on the operational level often find themselves in.

12.2 Discussion

In the thesis, the concept of accountability has been approached very broadly, almost as broadly as it possibly could. This has led to a number of intriguing insights in the working of accountability. First, it has led to an insight that preferences or expectations are not given, but shaped in complex processes in which intra- and extra-organisational interests, expectations, beliefs and views converge (or not). Furthermore, it is shown that expectations or preferences are not always translated into the cycle of account-giving, as a result of the context (expectations are more comprehensive than the domain over which a principal can role) or the nature of the

content itself (a matter of problems of measurement or the creation of good indicators). Second, it is shown that the contextual factors, especially the formal and economic power sources, are very determining in accountability relationships. Third, we have seen that accountability-relations are rather cyclic movements rather than processes. Fourth, the thesis has led to a fuller understanding of the concept of accountability in municipality-institutions relations. One of the first sentences in this thesis is that accountability is a concept that has many shapes and sizes and can be interpreted in various ways. This posing has proven to be true. The description of the different cases has led to the insight that the basic conditions of an accountability relation as they were presented in the theory (agent, principal, domain, expectations, rights and account) have proven not to be as monochrome as one could expected. The existence of an accountability relation is not a black-and-white, dichotomous question. Whether one conceives a relation to be an accountability relation depends on one's personal conceptions and believes, even when using the same definition. Rather, one could argue there are different levels of accountability, or different strengths of accountability relations. The various aspects to which this level of an accountability relation is dependent, however, are difficult to determine on one scale. Rather, the different content and context factors and the way the account-giving is shaped together constitute the 'level' to which accountability can be really called an accountability relation.

There are, however, some considerations to be made at the thesis. The level of abstraction and comprehensiveness of the variables under study have complicated the search for specific research operations. The selection of cases is of such diversity that it impedes for specific research procedures. As the phenomena under study are of such a level of diversity, it is a challenge to find valid ways of measuring accountability. The combination of both comprehensive variables and diversity in the case-selection extended the field of research to a great extent, which makes it sometimes difficult to see wood for the trees. This makes the findings and outcomes of the research rather general and abstract. Clearer demarcation of the scope of the research at the outset would have made it easier to get more specific answers and may have facilitated more applicable recommendations. However, this would have meant an extent of comprehensiveness would have been lost.

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