Planning Nordic City Regions: Challenges and Opportunities

Contemporary challenges for the development of sustainable urban regions in the Nordic countries relate to how physical planning can contribute to green growth and city-regional competitiveness. More specifically, three types of challenges have been identified. The first relates to urban form and issues involving urban qualities and densification processes, accommodating rapid population growth, localisation and the mixing of urban functions. The second relates to social inclusion and segregation, the everyday life perspective and diversified lifestyles and mobility. Finally, while planning at the city-regional scale is increasingly seen as a way to meet these challenges, such a perspective also calls into question the traditional ways in which Nordic cities and regions are planned; the third type of challenge is therefore the fact that there is a recognised need for new and innovative forms of planning and governance.

This policy brief presents an overview of the different challenges and opportunities faced by the larger Nordic city regions. These relate to: 1) urban form and growth, 2) social cohesion and diversity and 3) implementation and governance. The brief is based on discussions with representatives of the larger city regions in the Nordic countries (see Map 1) that took place during national meetings in 2014 (see Box 1). The focus on city regions emanates from the recognition of their increased importance as economic hubs in a globalised world, alongside

Box 1. Tour of Nordic city regions

During 2014, five national meetings were arranged with the largest Nordic city regions, one meeting in each of the Nordic countries. Representatives from both municipal and regional authorities participated in these meetings and were asked to prepare for discussions concerning: 1) the intra-regional forms of cooperation (formal and informal) and 2) the added value of a Nordic perspective on city-regional planning.

The Nordic Tour included stops in Copenhagen on 2 May 2014, Malmö on 19 August 2014, Oslo on 2 September 2014, Tampere on 8 October 2014, and Reykjavik on 13 November 2014. The meetings were organised by Nordregio in collaboration with the Danish Nature Agency, the Finish Ministry of the Environment, the Norwegian Ministry of Local Government and Modernisation, the Swedish Ministry of Enterprise, Energy and Communications, and The Swedish National Board of Housing, Building and Planning.
Policy considerations for how to plan sustainable city regions

- City-regional planning is a solution for developing more attractive and sustainable urban regions. The emphasis on city regions can be seen as a move towards new ways of thinking and an adaptation to a shifting world – from formal boundaries and hierarchical structures towards more flexible networks of municipalities and regions cooperating to achieve common development goals. A flexible city-regional approach can recognize multiple scalar relationships; those between different city districts, urban-rural linkages, and international relationships.

- Green growth is linked to spatial planning through the urban form, and key challenges in this regard are how to combine urban qualities and densification processes and how different urban functions can be localized and mixed. There are many interesting projects in, for example, Norway and Finland regarding the integration of land use, housing and transport planning at the city-regional scale. But there are still questions concerning how to attract businesses, increase city-regional competitiveness and accommodate rapid population growth.

- Social cohesion is both an asset for and a threat to sustainable urban development in the Nordic countries. It is vital for city-regional planning to include social dimensions and it must also reflect people’s everyday practices. It is important not only to integrate land use, transport and housing in a technical manner, but also to recognize and understand the diversity of lifestyles and mobility patterns in contemporary Nordic cities, suburbs and rural hinterlands.

- One challenge is the governance and implementation of the many good visions, plans and city-regional initiatives in the Nordic countries, including how to effectively use existing knowledge and data often generated in planning processes. However, planning attractive and sustainable city regions is ultimately a political question, with a key challenge to the planning of flexible functional urban areas being the clarification of responsibilities between local, regional and national levels of government. For example, is there a need for national policies for sustainable city-regional planning and development?

their increased recognition as an “adequate” scale for urban and regional policy-making.¹

A city region is a functional metropolitan area (see Box 2) and a “strategic and political level of administration and policy making, extending beyond the administrative boundaries of single urban local government authorities to include urban and/or semi-urban hinterlands.”² The underlying rationale for a city-regional approach is that people’s everyday lives and movements increasingly span multiple municipalities, just as the increasingly internationalised business community and networks are not limited by political administrative borders. The traditional Nordic way of only considering planning from a municipal point of view is thus becoming increasingly problematic. For example, housing and transport planning need to better correspond to the actual flows of people and business relationships extending beyond municipal boundaries. Consequently, municipalities and regions need to work together to make everyday life as convenient as possible.

Planning at the city-regional level is an opportunity to meet these changing conditions. But it’s also challenging with respect to the complexity of cooperation between authorities at different scales; for instance, not just cooperation between municipalities, but also that between municipalities and regions and between multiple regional authorities. However, these scalar relationships go even further, encompassing three particularly important relationships that stand out: relationships within the city between the different city districts, linkages to the rural hinterland and between cities in an international context. One challenge is to “allow flexible functional boundaries” and not create new administrative divisions or new layers of government. Competitiveness and collaboration are simultaneously inherent to all these relationships. This was also recognized and emphasized at all the Nordic meetings (see Box 1).

Box 2. Defining city regions

There is no universal definition of a city region, but there are three common elements in all various conceptualizations; the core(s), the hinterland(s) and the linkage(s). Firstly, however, a city region can have multiple cores of varying function and importance, as is the case in polycentric city regions. Secondly, even if the hinterland is conceived of in terms a continuous territory, it is also formed through, for example, international business networks, which, thirdly, calls into question which linkages between the core(s) and the hinterland(s) are the most relevant.

In applied research projects, city regions are often spatially demarcated (or reduced) to functional urban areas, which makes comparative analysis possible (e.g. OECD, ESPON, Nordregio). A functional urban area is usually defined in terms of commuting patterns (hinterland) and the density of economic activities and/or population (core) (see Map 1).
Nordic City-Regions

Larger urban areas
- Core Municipalities
- Hinterland Municipalities

Smaller urban areas
- Core Municipalities
- Hinterland Municipalities

Identification of Nordic city-regions is based on the OECD classification of functional urban areas (FUAs). "Larger urban areas" are city-regions with populations over 200,000, while "Smaller urban areas" are city-regions with between 50,000 and 200,000 inhabitants.

While the OECD classification identifies Linköping and Norrköping as two separate "Small urban areas", they are identified here as one "Larger urban area". Oulu is also considered a "Smaller urban area" by the OECD, but because its population is now above the threshold, it is also a "larger urban area" on this map.

Data Source: OECD, 2008
Key challenges related to urban form and growth

Collaboration and multi-sectoral co-operation, including dialogue with the private sector, is seen as increasingly important in order to ensure the city region provides the best possible prerequisites for a well-functioning business sector and a competitive labour market. The link between economic development and spatial planning was most clearly expressed at the Danish meeting, which was concerned with how the needs of the business sector, in terms of accessibility and planning, can be met.

Compact urban development has been put forward as the main policy solution for sustainable urban development as it reduces urban sprawl and makes it possible to increase environmental efficiency. However, its effects on urban qualities have also been called into question and problematised. Urban form is perceived as a central element in the planning of sustainable cities. Here the challenge lies in how to combine urban qualities and densification processes. What are the unforeseen and undesirable consequences of densification? How does densification affect urban life?

A shared challenge for many Nordic city regions is how to accommodate rapid population growth. This puts pressure on existing urban structures and requires forward thinking with respect to land use, housing and transport integration, i.e. promoting transit-oriented development (TOD) in which housing development connected to public transport nodes is prioritised.

A related challenge is the localisation and mixing of urban functions such as housing, offices, retail, industries and other essential amenities. Which functions can coexist? In Norway and Finland, policies and regulations governing the construction of retail space in the centre of cities rather than on their outskirts, and whether to allow the establishment of shopping centres that require access to cars were discussed. In Denmark the discussion also included how and where to provide space for industries, services and knowledge clusters.

Improving the form of the city is rationalised in terms of increased competitiveness and economic growth, and city regions are engaged in finding new tools to optimise the urban form, understand flows and interpret data. However, in striving to strengthen the competitiveness of city regions, the social dimensions of planning and the effect of urban form on social values must not be neglected.

Key challenges related to social cohesion and diversity

City-regional planning tends to concentrate on issues concerning transport and regional growth. These technical and economic concerns are, at times, joined by environmental concerns; however, there is a tendency to inadvertently neglect the social aspects of sustainability.

Social inclusion and segregation were presented as key challenges for all Nordic city regions. Worrying trends of social segregation are evident and, so far, there are no effective tools to reverse them, despite there being a number of projects and initiatives concerning these issues. This was, for example, stressed during the national meeting in Sweden, where it was noted that the Nordic countries’ greatest comparative advantage internationally is their safe and secure environments. However, it’s clear that this advantage cannot be taken for granted and is under threat if the current segregation patterns contribute to certain groups feeling marginalised by local authorities. Thus, social cohesion needs to be seen as one of the Nordic countries’ greatest assets, but also one of their greatest threats.

One challenge for city-regional planning is the integration of an everyday life perspective. To paraphrase the famous Swedish geographer Torsten Hägerstrand: what about people in city-regional planning? Concrete examples of these concerns were discussed during the meetings. In Sweden, for example, there were discussions about how to integrate the social dimension through the creation of physical meeting places in plans...
at the city-regional scale. In Finland, a discussion circled around how to make housing affordable and achieve a tenure mix. In Norway, public health was raised as a concrete example of how to integrate everyday life; an approach that takes into account all four dimensions of people’s lives, namely housing, mobility, transport and social reproduction.

Irrespective of the approach or practical concern used, most recognised the necessity for planning to cater for people’s everyday needs to a greater extent than is currently the case. But there was also the recognition that shifting demographic structure and diversified lifestyles and mobility patterns pose new planning challenges. What constitutes urban qualities must be better understood in order to achieve this. How do we identify them, how do we get information about them and how do we use this information in the planning process?

Key challenges for implementation and governance

It was clearly expressed in the meetings that there is no interest in creating new regions (i.e. regional administrative reforms); rather the focus should be on political collaboration based on functional networks. On the other hand, there was a unanimous agreement that the state and national level has an important role to play in the planning of sustainable and attractive urban regions. Nevertheless, the city regions are ambivalent regarding how the state and national level should intervene in, steer, guide, support, etc. city-regional planning, partly reflecting the different institutional context in each country.

A recurring topic during the meetings concerned the formal planning system and public initiatives and there was an interest in learning from each other. There was an interest in using platforms such as the national meetings to acquire and exchange knowledge about how these planning challenges are handled in the other Nordic countries. For example, the Danish municipal and regional reform in 2007 is still of interest in the other Nordic countries. There are also notable differences in the power balance and mandate of the regional authorities in the different countries from which lessons can be learned. In the same way, the national level is involved to varying degrees (which was noticeable in the structure and form of the meetings). The Finnish “letters of intent” act as important tools for city-regional planning, being both signs of political commitment and providing some state funding, and are an interesting example of collaboration between state and city region.

Collaboration in new formations across scales and sectors, between municipalities and regions was a key issue discussed at all of the meetings. Several parallel forums for cooperation at both the national and European level currently exist. Some are formal while some are less so. How these function and the division of responsibility was of great interest to the participants, especially the collaboration between Denmark’s six largest cities. Another aspect that was emphasised was the perceived need for the creation of a common vision for the development of the city region, preferably balanced throughout the region and based on the idea that there is more to gain from cooperation than competition, or rather, how to collaborate to compete more effectively.

The difficulties of communicating with politicians and residents alike were raised as a concern. Not only is there a need to get access to input from citizens and residents, especially less vocal groups, and incorporate this into plans, but there is also a need to provide targeted information to these groups, as well as to politicians, in order to ensure better policy-making.

Another related challenge is that many of the city-regional planning initiatives are not part of the formal government planning system; rather they are part of parallel governance arrangements known as ‘soft spaces’. In order to avoid problems with democratic legitimacy, there is a need to strive for transparency and clarify responsibilities and liabilities across sectors (i.e. private vs. public) and across scales (i.e. city district, municipal, city-regional, regional, national or even EU level). Indeed, the Nordic city regions cannot be considered independently from their global context, as regards both international competition and the social aspects of globalisation.

To avoid this, and counteract one of the effects of these flexible networks, it may be that stronger governance is necessary at the national level. It may be that a strong government with a clear national urban policy agenda is needed, as recommended by UN Habitat: “Countries need to develop a national perspective on the role of urban areas, articulated in some form of national urban policy.”

Box 3. Opportunities for Nordic cooperation and learning

Several ideas for further collaboration and knowledge exchange between the Nordic city regions to tackle the key challenges of urban form and growth, social cohesion and diversity, and implementation and governance came up during the meetings in 2014, for example:

- Providing accessible and practical overviews of existing research on city-regional planning
- Enabling comparisons between city regions and the identification of comparative advantages
- Identifying applicable tools for the implementation, monitoring and evaluation of city-regional planning and visions
- Developing comprehensive data sets with quantitative, qualitative and social indicators
- Facilitating learning about formal national planning systems, administrative reforms, policies and regulations, and informal collaborations and initiatives within city regions and between the Nordic city regions
- Exploring effective channels for communication with citizens, residents and less vocal groups; but there is also a need to provide targeted information to these groups, as well as to politicians in order to ensure better policy-making
**Knowledge requirements and learning opportunities**

How can the challenges related to urban form and growth, social cohesion and diversity, and implementation and governance in this policy brief be addressed? Encouragingly, the meetings made it obvious that there is not only a good awareness of the extensive knowledge base concerning the thematic challenges outlined above, but also a good availability of plans, analytical tools and policy instruments for supporting city-regional planning. Several innovative tools, concepts, policies and initiatives can be found in the Nordic countries and there are plenty of good examples they can use to learn from each other (see also Box 3). So, rather than developing new ones, the challenges and opportunities lie in getting an overview of the existing tools and finding practical applications for them. For example, there is a multitude of so-called integrated urban planning models developed by researchers and consultants, but their use in practice is still generally rather limited.

A considerable challenge lies in tapping into new knowledge, sharing experiences and critically reviewing current planning practices in order to open up new ways of planning. More specifically, participants in the meetings called for tools they can use to monitor and evaluate plans. Several of the city regions are in an implementation phase and, while there is great competence in the production of plans and city regions have experience of conducting preliminary studies, participants voiced their frustration, on the one hand, at the lack of plans being implemented and especially on their ability to review the long-term outcome of plans, on the other.

As a direct result of the pressure to be attractive and competitive, tools for comparing city regions and identifying comparative advantages were discussed as an important issue and where a Nordic perspective could be of added value. Comparisons between Nordic city regions could help to position the city regions, but also to point at potential areas of improvement. However, it is important that the comparisons simultaneously also recognise the different institutional and geographical contexts in which the city regions are embedded. An increased emphasis on social sustainability can also be discerned in this quantitative field and there are initiatives to enable the measurement of soft values, i.e. quantifying qualitative values (see, for example, the Good Life Index approach in South Denmark).

Critical at all the meetings, as a source of knowledge not yet fully mastered, was the potential of improved availability and analysis of comprehensive data sets, both quantitative and qualitative. This would allow a more precise understanding of the diversity of lifestyle and mobility patterns and, as a result, policies could be devised to respond to the everyday needs of people and businesses. It would also provide users with direct access to planners and an opportunity to have influence at an early stage. Finland seems to have come far with regards to technical expertise and resources in terms of data collection.

**Endnotes**


**Contacts**

Nordregio research contact: Lukas Smas
Phone: +46 8 463 54 25
E-mail: lukas.smas@nordregio.se

Nordregio communication contact: Åsa Hildestrand
Phone: +46 8 463 54 23
E-mail: asa.hildestrand@nordregio.se

**Useful links**

Nordic Working Group for Green Growth: Sustainable urban regions
http://www.nordregio.se/nwgcityregions

**Resources**

The Nordic Tour project was initiated and funded by The Nordic Working Group for Green Growth: sustainable urban regions under the Nordic Committee of Senior Officials for Regional Policy (EK-R). The main task for the working group is to study how spatial planning can contribute to green growth within the context of Nordic city regions. The specific activities are developed and progresses in close collaboration between the working group and key stakeholders, i.e. municipalities and regions in the larger city-regions in the Nordic countries, with an equal focus on theoretical and practical approach.

Nordregio conducts strategic research in the fields of planning and regional policy. We are active in research and dissemination and provide policy relevant knowledge, particularly with a Nordic and European comparative perspective.