

## EVALUATION OF THE USE OF EU FUNDS ALLOCATED TO PUBLIC SERVICES DEVELOPMENT IN LOCAL GOVERNMENT ADMINISTRATION IN POLAND

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**Abstract:** The article aims at evaluating the use of EU funds allocated to public services development by local government administration and indicates the problems and challenges of Polish local governments in terms of integration and globalization processes, while stressing the necessity of public services development in e-administration. Then, the local governments' opportunities to acquire co-funding from 2014-2020 Operational Program Knowledge Education Development, specifically under priority axis II *Effective public policies for the labour market, economy and education* (measure 2.18) have been provided with their characteristics. Further, the article evaluates the use of EU funds for the projects, submitted and recommended for co-funding, in response to the competitions announced by the Ministry of Internal Affairs and Administration in Warsaw. Last but not least, the outcomes reported by the Local Authorities participating in the completed projects, are presented. The importance and significance of e-administration development for clients residents and entrepreneurs using e-services provided by local authorities has also been stressed. This article constitutes an introduction to a series of publications for researching the effect of EU funds on the development of local governments, and thus enhancing the competitiveness across the regions.

**Keywords:** European Union, operational programme, local government administration, project, co-funding.

### 1. Introduction

One of the characteristics of the information society is the fact that telecommunications and the Internet considerably enhance the residents' comfort of living. Local governments are obliged by law to apply Information and Communication Technologies (ICT) for rendering e-services, namely to provide e-services. Rendering e-services must be a two-way communication, authorised with e-signature and available around the clock within

e-administration (Baron-Wiaterek, Grzanka, 2011). An opportunity to acquire co-funding to support e-administration became available by Poland joining the European Union and provided a possibility of benefiting from many dedicated operational programmes both at the state and regional level. One of them is the 2014-2020 Operational Program Knowledge Education Development (OP KED), whose measure 2.18 addresses the public services.

In the article, the author has made a brief evaluation of the use by local government administration of the OP KED funds, allocated to public services development as part of the competitions regularly held by the Ministry of Internal Affairs and Administration. Besides, the author points to the outcomes recorded in Local Government Units (JST) taking part in the projects and benefits for their clients, namely residents and entrepreneurs.

## **2. Problems and challenges faced by local government administration in terms of the processes of integration and globalization**

In Poland (following other European countries), a considerable part of administrative tasks, with no nationwide significance, is executed by local governments. Since January 1999, a three-level local-government administration has been operating in Poland.

An essential problem of local government administration is its operation following the traditional formula (t-administration), whereas the challenges of the 21st century make the administration go electronic (e-administration). E-administration is intended to provide a flexible, open and friendly mechanism ensuring the cooperation between the employees of various levels to handle the individual matters of clients (including residents and entrepreneurs) and to satisfy their collective needs. In terms of technology, this action will be supported by interoperational ICT systems (electronic document flows, e-Portals) and source public registers (databases) (Janowski, 2009)

The basic advantage of e-administration is its common availability, usually identified with unlimited time frames; the office is accessible for the customer 24/7. From the point of view of the person using e-administration services, a change in the way the official matters are handled from traditional to Internet seems more important (Stempnakowski, 2007).

In the European Union, there is a common belief that e-administration, namely rendering e-services by public administration, not only makes the citizens' life easier and enhances the public services transparency but can, indeed, in some cases, be a trigger to use the Internet. Almost every second EU citizen contacts public administration online. The residents of Poland do so almost two times less frequently, and a lower percentage of e-administration users is reported only for Italy, Bulgaria and Romania (Szymanek, 2015).

Therefore, the key institutional problems cover:

- more difficult synchronization of work on the country's computerisation (lack of efficient cooperation between ministries, poor access to public registers; databases),
- lack of feedbacks/interactions between the valid ICT systems, e.g. ePUAP, e-Deklaracje, e-Podatki,
- lack of sufficient infrastructure enabling communication between authorities and customers (IT hardware, software, broadband Internet access),
- insufficient use of electronic document flows,
- few services available online,
- insufficient number of trusted profiles validation centres where the residents can receive a free-of-charge electronic signature required for online communication.

The key HR problems include:

- insufficient IT systems operation competencies,
- personnel unwillingness to introduce changes in terms of e-administration,
- computer and Internet operation difficulties in 50+ employees,
- low budgets for local government personnel training and high commercial training costs,
- difficulties concerning the accessibility for rural commune employees to large training centres,
- non-cohesive legal regulations popularising e-administration.

It is also necessary to eliminate the barriers among clients – the users of services (technical, social, cultural ones), including (Batko, Billewicz, 2013):

- digital exclusion of some representatives of the society,
- electronic signature not being common,
- poor knowledge of information technologies,
- difficulties in completing complex official forms,
- society's lack of trust in electronic communication with the authority.

Despite the institutional difficulties, as well as resistance of the local-government employees and fears of the customers in terms of introducing and functioning of e-administration, there is no return from the process, which will result in creating e-offices as a natural consequence of the information society development, with computer science and the Internet becoming more and more important (Adamska, 2011; Dąbrowska, Janoś-Kresło, Wódkowski, 2016).

Their use depends not only on the speeding-up technological revolution but, mostly, on the goals defined by the authorities today (Małecki, 2015). The model of support for the development of the information society through administration in three areas: e-services, e-integration, as well as the website is noteworthy, is presented in the table (Table 1).

**Table 1.***Local government administration – the model of information society development*

| <b>e-services support</b>                               | <b>e-integration support</b>   | <b>Promotion support</b>   |
|---|--|--|
| – providing electronic services (e-services)            | – making the website available to the disabled (WCAG 2.)   | – operating the digitalisation strategy  |
| – informing about and encouraging the use of e-services | – adapting the website to mobile phone and other mobile devices services   | – building the public Internet access points                                   |
| – e-services interest monitoring                        | – providing facilities on the website: <ul style="list-style-type: none"> <li>– information search</li> <li>– services/ matters catalogue</li> <li>– newsletter or RSS channel</li> <li>– possibility of ordering a customised service of receiving information on the authority's actions and services</li> <li>– answers to the most frequently asked questions (FAQ)</li> </ul> | – promoting the Internet use among people who are at risk of digital exclusion |
| – customer satisfaction monitoring                      |  | – organising citizen trainings   |
| e-services improvement                                  |  | – providing computers or computer stands to the residents                      |

Source: own work based on: Szymanek, W. (ed). *Spoleczeństwo Informacyjne w liczbach*. (2015). Warsaw: Ministry of Administration and Digitalization.

### 3. Possibilities of acquiring EU support by local governments

A chance to build an efficient and effective public e-administration at all levels is provided by EU funds, including the regional and domestic operational programmes. One of them is the 2014-2020 Operational Program Knowledge Education Development, specifically measure 2.18 concerning high quality administration services supporting local governments in creating e-administration and actions implemented under priority axis II *Effective public policies for the labour market, economy and education* (OP KED, 2018).

Detailed information on project co-funding potential under measure 2.18 is presented in the table below (Table 2).

**Table 2.***Basic information on measure 2.18 High quality administration services (competition procedure)*

| <b>Item</b> | <b>Operational Program Knowledge Education Development</b>                               |
|-------------|--|
| 1.          | FUND:<br>European Social Fund  |
| 2.          | PRIORITY AXIS:<br>Effective public policies for the labour market, economy and education |
| 3.          | MEASURE:<br>HIGHT QUALITY ADMINISTRATION SERVICES  |

Cont. table 2.

|    |  |
|----|--|
| 4. | <p><b>MEASURE OBJECTIVE:</b></p> <p>Improving the quality and monitoring the process of providing administrative services of importance for conducting an economic activity</p>  |
| 5. | <p><b>PROJECT TYPE:</b></p> <p>1) Implementing training and information actions in local authorities aimed at practical possibilities of using the monitoring system to undertake modernisation efforts in local governments, using benchmarking and benchlearning in the form of organising groups which share experience.</p> <p>2) Implementing the solutions in public administration that improve the specialised services in the areas of importance for conducting economic activity:</p> <p>a) local taxes and fees:</p> <ol style="list-style-type: none"> <li>1) computerisation of tax-related services in the offices of local authorities, the automation of settlements and improvement of access to information on the manner of handling the case and case progress;</li> <li>2) improving competencies of local authorities' personnel in terms of e.g. tax-related services, e-tools application, customer service, satisfaction management, case-law;</li> <li>3) implementing management solutions in local authorities' offices to improve the quality of services for entrepreneurs, especially in terms of customer satisfaction management, quality management, process management, access to public information;</li> </ol> <p>b) real estate management, especially commercial premises management:</p> <ol style="list-style-type: none"> <li>1) implementing solutions in local authorities that improve access to administrative services and information on commercial premises and land allocated to investments, improving customer service, using e.g. satisfaction management tools;</li> <li>2) improving competences of local government personnel, e.g. in terms of management of local government real-estate resources, State Treasury real-estate resources, customer service, satisfaction management, case-law;</li> <li>3) supporting local government administration in terms of real-estate resources, the use of development plans, abandoned buildings adaptation, successful execution of rental and lease contracts, digitalisation of the process of providing services and real-estate registration and improving the process of cooperation and control of real-estate resources managers;</li> </ol> <p>c) investor support:</p> <ol style="list-style-type: none"> <li>1) developing and implementing in local authorities the minimum rules (procedures) of cooperation with investor;</li> <li>2) improving competencies of local authorities' personnel in terms of developing investment offers and investor support;</li> <li>3) building the local cooperation networks for investor support involving business environment institutions and public employment services;</li> <li>4) digitalising investor support process, especially access to information on investment offer;</li> <li>5) training activities to promote a strategic approach to management of economic development in local authorities;</li> </ol> <p>3) Implementing organisational solutions in the tax administration units (especially in terms of process management and allocation of resources for process implementation, management by objectives, communication, management tools, benchmarking, management by competencies).</p> <p>4) Organising and performing specialist training for national administration employees participating in issuing administrative decisions in terms of law and procedures.</p> <p>5) Implementing organisational solutions in public administration units (especially for process management and allocation of resources for process implementation, management by objectives, communication, management tools, benchmarking, management by competencies)</p> <p>6) Organising and performing specialised laws and procedures training for public administration employees (namely control and supervisory officers).</p> |

Source: own work based on: Detailed Description of the Operational Program Knowledge Education Development for 2014-2020 (2018) National Cohesion Strategy, Ministry of Infrastructure and Development, Warsaw.

With the diagnosis presented for the Operational Program Knowledge Education Development as well as the allocation and types of projects specified in the Detailed Description of OP KED Priority Axes, the Intermediate Body (Ministry of Internal Affairs and Administration) annually approves the action plans for successive years of programme development for measure 2.18.

Then, the competitions are announced focusing on finding the actions supporting the enhancement of institutional capacity and the effectiveness of public administration, as well as the quality of public services leading to strengthening a reliable cooperation between the administration and the entrepreneur.

#### **4. Evaluation of local governments' use of EU funds**

In 2015-2018, the types of projects carried out as part of competitions covered: public administration implementing the solutions improving the effectiveness of managing domain-specific services in terms of local taxes, fees and real estate management. Support focused on enhancing the solutions in the area of computerisation of service processes, automation of settlements and improved access to information on the manner of handling the case and case progress, as well as local authorities' personnel digital competencies improvement in relation to taxes and real-estate management. The entities entitled to submit applications for co-funding were local authorities, associations of local authorities, non-government organisations, higher education institutions and their establishing bodies, scientific facilities, training institutions, while the target group in the project were only local authorities and their local government employees. In response to the announced competitions, local authorities prepare co-funding applications in which they plan and budget the training and implementation actions addressed to their institutions and local government employees. Below the co-funding obtained by local authorities for personnel career development and training is presented (Table 3).

**Table 3.**

*Types of projects being the part of competitions announced by the Ministry of Internal Affairs and Administration for measure 2.18 in the years 2015-2018*

| Item | Competition number            | Number of projects            |           | Number of local authorities  |           | Types of projects  |
|------|-------------------------------|-------------------------------|-----------|------------------------------|-----------|--|
|      |                               | Submitted for the competition | Co-funded | Applying for the competition | Co-funded |  |
| 1.   | POWR.02.18.00-IP.01-00-005/15 | 89                            | 40        | 707                          | 318       | As part of the competition, it is possible to support the projects involving public administration implementing solutions to enhance the specific-domain services effectiveness in the following areas important for running an economic activity:<br>a) local taxes and fees:<br>b) real estate management, especially commercial premises management |
| 2.   | POWR.02.18.00-IP.01-00-002/17 | 45                            | 22        | 346                          | 169       |  |
| 3.   | POWR.02.18.00-IP.01-00-001/18 | 15                            | 15        | 98                           | 98        |  |

Source: own work based on: Results of competitions in 2015-2018, <http://ip.mswia.gov.pl/ip2/program-operacyjny-wied/konkursy/konkurs-i-2015>.

The above data can suggest that 1 151 local authorities applied as part of 149 submitted projects, namely about 40% of the institutions entitled to file applications. Considering the available allocation as part of the announced competitions, one can see that the funds for training and implementation were received by 585 local authorities, namely only 51% of the local governments applying, which accounts for only 20% of the eligible entities.

The most significant results of the projects' execution are as follows:

1. Computerisation of tax-related services, automation of settlements and improvement of access to information on the manner of handling the case and co-funding case progress due to:
  - purchase of IT hardware for the authorities (servers, computers, UTM systems, scanners),
  - development of e-forms for service cards to facilitate the clients' use of the services online in the matters related to taxes and local charges,
  - purchase of e-portals for taxes and fees to allow the clients get an easy access to the catalogues of e-services on ePUAP, to make e-payments and to have access to information on the status of the case processing and the amounts of taxes and payment deadlines;
  - implementation of e-document flows in the Authority,
  - local government employees' training in e-documents flow,
  - launching the trusted profiles confirmation centres in the Office, namely receiving free-of-charge e-signatures by customers, indispensable for e-communication with the authority due to:
    - purchase of IT hardware for the centres (computers, printers, shredders),

- development of the applicable documentation authorising the opening of the centres in the authority's office,
  - training of local government employees in trusted profile validation.
2. Implementing solutions for local authorities that improve access to administrative services and information on commercial premises as well as land allocated to investments thanks to:
- development of dedicated Investor e-Portals where local authorities will be able to present their investment offers online: real estate and commercial premises for sale, lease or rental, and the customer will be able to filter a search for the offer according to various evaluation parameters, download the investment offer in PDF, to define the location of the investment of interest using the Google map or to make an online enquiry about the offer,
  - training of local government employees in Investor e-Portals operation.
3. Implementations of management solutions for the customer satisfaction management by local authorities enhancing the quality of serving the residents and entrepreneurs by:
- developing e-Portals for the Evaluation of Customer Satisfaction to allow the residents to assess the service quality in the office after completing the e-survey in the customer panel on the authority's website and the authority will be able to analyse the results automatically thanks to the reporting system,
  - training of local government employees in e-Portals service for satisfaction evaluation.
4. Including local government employees in the training and/or post-graduate programmes to enhance local authorities personnel competences in:
- tax service, e-tools use, customer service, satisfaction management, case law,
  - management of local-government real-estate resources, State Treasury real-estate resources, customer service, satisfaction management, case law.

## 5. Summary

As a result of the above facilitations, implemented thanks to the completed projects, the residents and entrepreneurs can use public services online (e-services) 7 days a week for 24 hours, confirming their identity on the Internet with the electronic signature (qualified signature or trusted profile). Local government administration provides public services to clients online, using e-portals, e-services and e-flows of documents co-funded by the European Union (Wpływ cyfryzacji na działanie urzędów administracji publicznej, 2015).



The current responsibilities of Polish local government administration will include an intensive promotion of e-services as an effective channel of communication with the client as more than 75% of clients settle the matters in a traditional way, directly by visiting the public authority (E-administarcja w oczach internautów, 2016).

Intensifying the clients' use of e-governments will involve a greater diversity in the methods of providing information and their higher quality. It is also time-saving and offers high flexibility both in terms of the selection of the place and time during the day to settle official matters. All that should result in enhancing the quality of the rendered services and client satisfaction (Grodzka, 2007).

Importantly, the Polish economy is about to enter the fourth industrial revolution (the so-called Industry 4.0), based on mobile technologies ICT and without them, in today's world, there is no digitalisation, and thus no innovativeness, economic acceleration, or no increased effectiveness of the resources use. It is noteworthy that the next phase in the evolution will be mobile technologies, the so-called mGovernment, immediately derived from public e-services, most often as the next step in their evolution (Mobilne państwo, 2016).

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