

# LOCAL OFFER OF PUBLIC SERVICES IN THE PERCEPTION OF MUNICIPALITIES' RESIDENTS

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## Abstract

*Providing local public services is the main task of municipalities as the basic units of local self-government. The aim of the article is to present and assess the opinions of residents about the quality of public services available in the area of their municipality. The source of empirical data was the results of own surveys carried out in the regions of southern Poland.*

*The respondents assessed the social services available in the municipality better than the municipal services provided by the technical infrastructure. The highest rates of the level of local public services were formulated by city dwellers, while lower scores were characteristic of rural areas. Local government authorities should take care of the quality of the local public services offer, as it is an important factor determining the standard of living of the local communities.*

**Keywords:** *local public service, municipality, public utilities*

**JEL classification:** *H44, H75, H76*

## 1 Introduction

Both economic development and sustainable development must be implemented for the inhabitants of a given area, taking their expectations and local conditions into account (Wojewodzic, 2005). In this way, the role of the institutions that are best able to recognize and satisfy those expectations, to which the local and regional communities institutionalized in the form of local governments undoubtedly belong, is increasing. Therefore, the basic objective of the activities of local

government units in addition to the implementation of tasks in the field of public administration is the implementation of tasks aimed at satisfying the needs of the inhabitants (Kozera & Glowicka-Woloszyn, 2016; Dziekanski, 2017). These tasks are performed on their own behalf and on their own responsibility (Soukopová et al. 2014). Performing own tasks of the municipality means shaping the local offer of public services, which, by diversifying the living conditions in individual territorial units, also becomes a factor of competition for new residents and the location of enterprises (Cifranic, 2016).

An important element in shaping the scope and standard of the local public services offer is the opinion of the inhabitants of the municipalities (James, 2009). They constitute a group of basic users of these services (Merickova et al. 2015). The perception of public services is a factor shaping the assessment of the functioning of local authorities, and good opinions of the inhabitants reinforce the chances of their re-election.

The aim of the article is to present and assess the opinions of the residents about the quality of public services available in the area of their municipality.

## **2 Data and methods**

The basic source of empirical data was the results of own surveys carried out in the regions of southern Poland. The research was carried out in 21 municipalities of the following provinces: Lower Silesian, Lesser Poland, Subcarpathian and Silesian. After verification, 168 correctly filled questionnaires were qualified for the analyses. The selection of respondents was purposeful and was designed in such a way as to ensure the representativeness in the sample of representatives of various age, profession, level of education and position in the local environment groups.

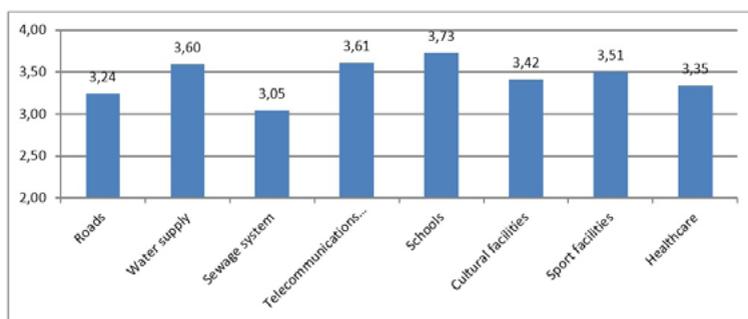
The questions contained in the questionnaire concerned various aspects of the quality assessment of individual public services and the condition of local infrastructure. In the questionnaire, which included 23 questions, the importance of investments implemented by municipalities to improve the quality of services was also assessed. Descriptive statistics methods (arithmetic mean, median, coefficient of variation, standard deviation) and the measure of interdependence of features were used for data analysis. Research and analyses were carried out using grouping of objects by type of territorial units for urban, rural and urban-rural municipalities.

### 3 Results and Discussion

The territorial self-government units or economic entities indicated by them (Warner & Bel, 2008; Wollmann, 2011) are responsible for shaping the local public services offer. Local public services, depending on the organizational and legal solutions adopted in the economy of a given country, may be provided by both the public and private sectors (Wollmann, 2014). The implementation of the New Public Management concept and the related economisation of public sector entities' activities has led to the trend to privatize many areas of the current state and self-government activity in many countries (Kuhlmann & Fedele, 2010). Privatization was intended to improve the efficiency of services and to reduce the expenditure of public sector entities. International experience, however, indicates that privatization processes have not achieved the intended effect everywhere. In some countries, in recent years, there has been recommunalization, i.e. the phenomenon of taking over the previously privatized tasks of the local self-government (Wollmann & Marcou, 2010; Swianiewicz, 2018).

According to research carried out in OECD countries, the level of decentralization of the country's territorial division is of great importance for the effective provision of public services (Ahmad et al., 2008). Residents of municipalities were asked to assess the degree of satisfaction with the public services provided at the local level (Figure 1).

Figure 1 **Summary of average ratings of satisfaction of the respondents with local public services**



Rating scale: 1 - lowest, 5 - highest.

Source: Own research.

On average, the higher ratings of the residents were given to those public services which use social infrastructure facilities, while the implementation of

municipal services using technical infrastructure devices was rated lower. In the entire research group, the services of sewage disposal were rated the lowest, which is related to the underdevelopment of the sewage network, which is particularly visible in rural areas.

In order to more accurately assess the perception of local public services, a differentiation analysis was carried out using the municipality type as a grouping criterion (Table 1).

**Table 1 List of selected statistical measures for the assessment of public services by types of municipalities**

Specification	Roads	Water supply	Sewage system	Telecommunications network	Schools	Cultural facilities	Sport facilities	Healthcare
<b>Urban municipalities</b>								
Arithmetic mean	3,53	3,74	3,58	4,11	4,00	4,16	3,84	3,21
Median	4,00	4,00	4,00	4,00	4,00	4,00	4,00	3,00
Standard deviation	0,90	0,87	0,90	0,66	0,75	0,76	0,76	0,71
Coefficient of variation	0,26	0,23	0,25	0,16	0,19	0,18	0,20	0,22
<b>Rural municipalities</b>								
Arithmetic mean	3,52	3,61	3,14	3,77	3,87	3,32	3,54	3,55
Median	4,00	4,00	3,00	4,00	4,00	3,00	4,00	4,00
Standard deviation	1,19	1,20	1,40	0,97	0,85	1,10	1,15	1,14
Coefficient of variation	0,34	0,33	0,45	0,26	0,22	0,33	0,32	0,32
<b>Urban-rural municipalities</b>								
Arithmetic mean	2,67	3,52	2,70	3,17	3,39	3,33	3,33	3,04
Median	3,00	3,00	3,00	3,00	3,00	3,00	3,00	3,00
Standard deviation	0,91	0,88	1,28	1,15	0,96	0,93	1,05	1,13
Coefficient of variation	0,34	0,25	0,47	0,36	0,28	0,28	0,31	0,37

Source: Own research.

The assessment of the satisfaction of residents with individual public services was diversified due to the type of municipality that was responsible for providing them. Urban municipalities were characterized with the highest ratings by far.

The inhabitants of the villages and urban-rural municipalities assessed the quality of public services on a clearly lower level. The relatively lowest assessments characterizing urban-rural municipalities can be interpreted as a manifestation of the so-called small cities crisis. Development processes occur most dynamically in large cities, which become the location of many, especially large, business entities. These companies create jobs that attract residents of other, smaller cities and villages, causing migration processes (see Marcysiak & Prus, 2017; Ratajczak, 2000). The growth of cities signifies the need to create favourable conditions for residents demanding increasingly higher standards of public services.

On average, better results were obtained by public services that are provided in social infrastructure facilities. Representatives of local communities rated educational services as the best. It is worth noting that the assessments formulated in this respect were the least diversified, as evidenced by the lowest values of the coefficients of variation. This is the result of the fact that the scope and standard of these services is determined at the national level.

The largest differences in the level of satisfaction with locally supplied public services between cities and rural areas were recorded in the field of cultural services. There are many cultural facilities in the cities, and their offer is relatively extensive and diverse, while rural areas have been neglected in this respect for many years. In rural areas, a certain difficulty in this regard is also the small number of these facilities resulting partly from low population density and difficulties in using the cultural offer. This problem especially concerns areas with scattered development and poor public transport.

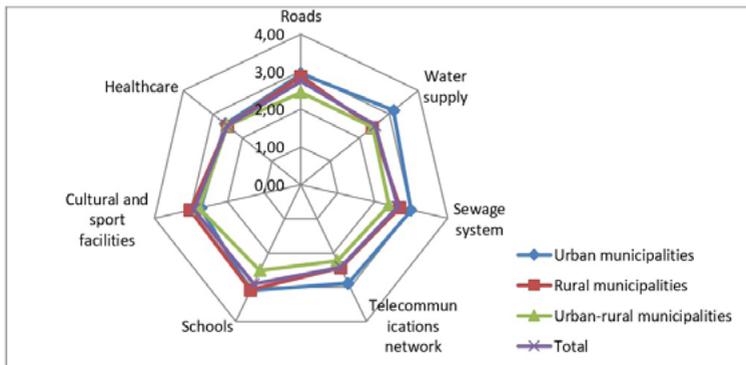
The relatively smallest differences in the level of public service ratings between different types of municipalities were recorded in the field of water supply. Satisfying the needs of the residents with regard to this element of technical infrastructure is already at quite a high level. This was achieved thanks to intensive investment activities conducted over the last dozen or so years especially in rural areas (Standar & Bartkowiak-Bakun, 2015). In this way, the level of water supply infrastructure in rural areas is only slightly lower than in the cities.

On the basis of the analysis of statistical measures of variation (standard deviation and coefficient of variation), the group of urban municipalities was the most internally homogeneous. In urban areas the infrastructure was developed earlier, which enables the performance of public tasks for local self-government units. For this reason, among others, the availability of public services is higher there (see Topa 2016), and their quality is more standardized.

Local infrastructure is of great importance for the standard of public services, that is why local authorities take efforts to meet higher and higher quality parameters. Investing in infrastructure is connected with incurring high expenditures

from local budgets, which in the situation of limited income of many municipalities in Poland causes the necessity to look for external sources of their financing. The EU funds were a source of financing for investment activities of local government units often used in the past several years (see Zawojka, 2009). The respondents were asked which elements of infrastructure in their municipalities gained the most thanks to co-financing from EU funds (Figure 2).

**Figure 2 Summary of the average assessment of benefits obtained from EU funds due to the type of municipality**



Rating scale: 1 – lowest benefits, 5 – highest benefits.

Source: Own research.

The analysis of the scope of support by the EU funds of the local infrastructure proved that the municipalities were the most beneficial. Their advantage was particularly evident in the field of technical infrastructure facilities. In the field of social infrastructure, differences between municipalities were much smaller, and in the case of health care institutions, the obtained assessments were almost identical regardless of the type of the municipality. It is worth noting, however, that when analysing all the assessed elements of technical and social infrastructure, the smallest scale of the benefits from EU funds was indicated by the inhabitants of urban-rural municipalities. Such an assessment of the significance of the European funds could have an impact on the previously discussed relatively lowest level of satisfaction with municipal services in the group of urban-rural municipalities.

In order to verify the potential relationships between the assessment of the importance of external funds for the development of infrastructure and the assessment of the local public services offer, a correlation analysis between these

variables was conducted. The correlation analysis showed the existence of moderately strong dependencies in the field of sewage disposal ( $r_{xy} = 0.640$ ) and municipal roads ( $r_{xy} = 0.516$ ). This proves that along with the increase in the use of EU subsidies, the number of positive assessments of the level of public services performed using the elements of infrastructure modernized from European funds increased in the municipality. Interestingly, the relatively high assessment of the importance of EU funds in the construction and modernization of schools as well as cultural and sport facilities did not lead to equally high correlation coefficients (respectively:  $r_{xy} = 0.335$ ,  $r_{xy} = 0.239$ ).

Such differentiation of correlation coefficients should be interpreted as follows. Inhabitants who assess the standard of local public services at a low level have high hopes in using EU funds and, consequently, obtaining the financial resources indispensable to finance the necessary investment activities. In their opinions, the acquired funds will contribute to a significant improvement of infrastructure, which determines the quality of the services provided. Higher ratings of satisfaction with local services are not accompanied by such a high expectations of improving their standard along with the use of external financial resources by the municipality.

## 4 Conclusion

The feature that distinguishes public services from other categories of services is their universal availability. The scope and standard of locally available public services determines the quality of life of the population and affects the conditions of locating and running a business. The quality of public services provided can therefore be a factor of competition between local government units. The municipalities are responsible for the availability of local public services (including municipal services). In this respect, their operation is subject to social evaluation, and the level of satisfaction of residents from the local public services offer can serve as an indicator of the assessment of their performance.

Respondents rated educational services the best, whereas telecommunications services and water supply slightly lower. The worst assessments were recorded for sewage disposal services, which is related to the insufficient level of sewage system development. The highest rating of the offer of local public services was assessed by city residents, the assessment of the inhabitants of rural municipalities was clearly lower, while the lowest was found by people living in urban-rural municipalities.

Knowing the importance of public services, local authorities are taking efforts to make their offer more tailored to the preferences of the residents. For this

purpose, they undertake investment activities aimed at expanding and modernizing the infrastructure that enables their provision. Due to high investment costs, they obtain external financial resources, including EU funds. Municipal authorities should strive to develop, in particular, those public services that have been rated the lowest. This is related to the necessity of spending budgetary resources on the development of adequate infrastructure.

The conducted analysis showed the existence of positive dependencies between the scope of investment activities carried out and the level of satisfaction of the residents with a given public service. Such a relationship occurred mainly in relation to relatively lower rated services. In the case of the better assessed services (e.g. educational, cultural), the relationship between these variables was clearly weaker.

When carrying out assigned tasks, the authorities of municipalities should take every effort to improve the quality of local public services. The assessment of their social efficiency will then be higher. The better assessment of public services is not only an expression of an improvement in the standard of living. It can also be an argument deciding on the location of new business entities, which in turn may lead to the acceleration of local development.

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