OECD REVIEW - BETTER GOVERNANCE, PLANNING AND SERVICES IN MUNICIPALITIES: POLAND

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25 April 2019, Warsaw (Poland)

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What is sound public governance?

Sound public governance is a means to an end: it aims to ensure that the State can successfully anticipate, identify and respond to the needs of citizens and businesses in the public interest, thereby enhancing the prosperity and well-being of the country and its people.

The Poland-Local Review

Strengthening the capacity of a representative sample of municipalities across Poland to pursue integrated local development planning in fulfilment of good-governance principles (PA16 component of the Pre-defined Project)

Focus I: Assessment and Recommendations (Months 1-13)

Assess municipal policy and practice in key thematic areas of public governance and present recommendations for reforms to improve capacity in municipalities to serve citizens and businesses better.

Focus II: Municipal Self-Assessment Tool (Months 9 & 10)

Accompany three categories of Polish cities and municipalities (small, medium and large) in strengthening their capacity to set and implement their Development Plans **through the design and use of a municipal public-governance self-assessment tool** to enable municipalities to prepare an Action Plan to implement their Development Plans successfully.

The Chapters

1. Diagnosis of the economic, social and demographic trends in cities, municipalities, regions, their effects on wellbeing and inclusive growth in Poland

2. Co-ordination across administrative siloes within city / municipal governments in Poland

3. Pursuing integrated strategic planning and service design and delivery in cities and municipalities in Poland

4. The Use of Evidence, including Performance Evidence, in Strategic Decision-Making in Polish Cities and Municipalities

5. Linking development strategies to finance and budget systems: city / municipal Budget Design and Execution

6. Strengthening multi-level governance and city/municipal investment capacity

7. Strategic Human Resources Management (HRM) in Polish Cities / Municipalities

8. Open Government Policies and Frameworks for Greater Accountability to Citizens in Polish Cities / Municipalities

9. Reducing Administrative Burden and Red Tape to Advance Reform

A whole-of-OECD approach

This Review will be overseen jointly by the **OECD Public Governance Committee** and the **OECD Regional Development Policy Committee**.

Public Governance Commitee

OECD Public Governance Directorate (GOV)

Regional Development Policy Commitee

Centre for Entrepreneurship, SMEs, Regions and Cities (CFE)

Poland Local Review
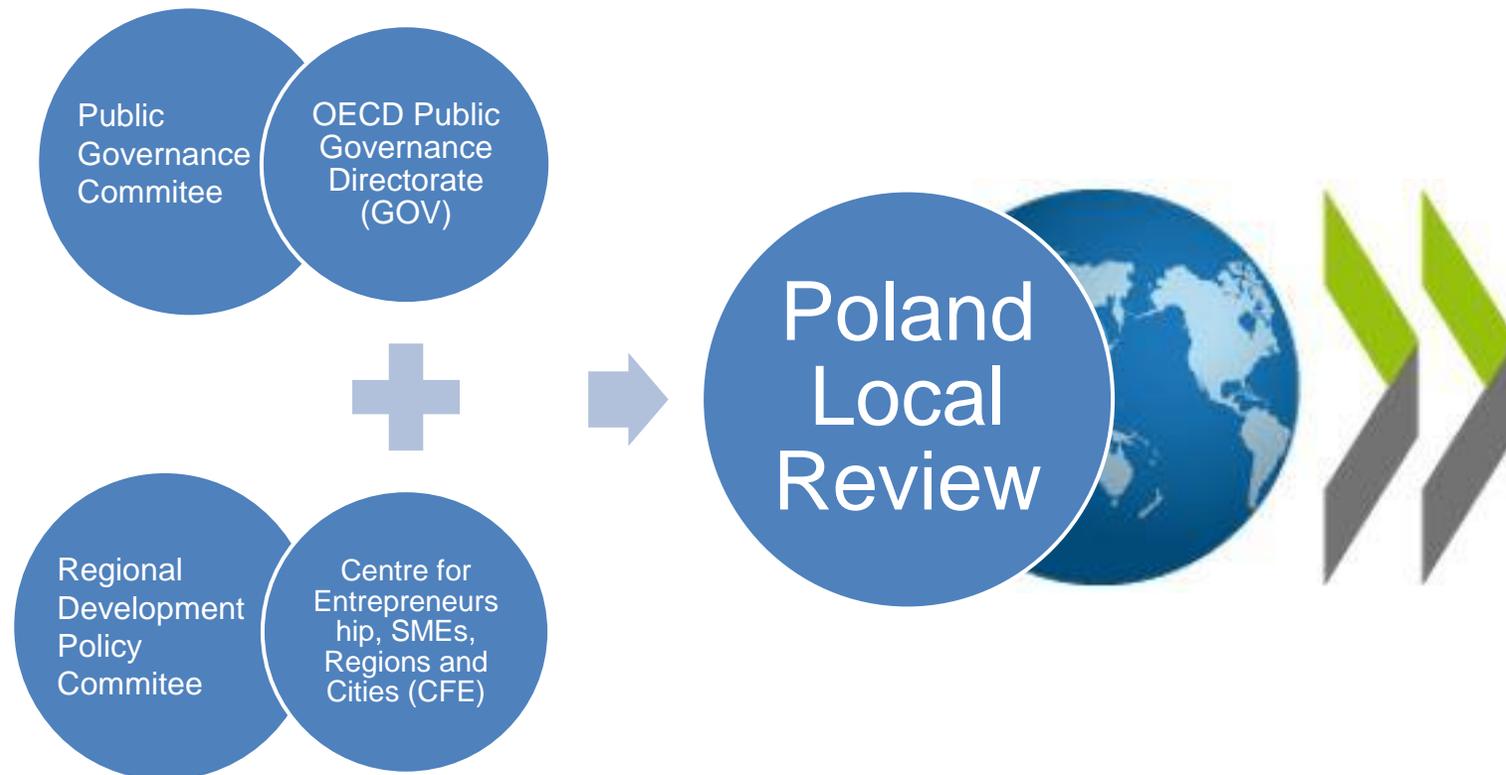
FOCUS I: ASSESSMENT AND RECOMMENDATIONS

1. Diagnostic Chapter

- This first chapter will provide a diagnosis of the main economic, social and demographic trends in Polish cities, municipalities and regions and their effects on wellbeing.

- The analysis will focus on inclusive growth, paying special attending to the performance of cities, municipalities and regions and their effects on spatial inequality and national productivity.

- The chapter will also examine trends in sub-national finance, governance and quality of institutions using statistical data from Poland as well as comparable data from the OECD

2. Co-ordination across administrative siloes within city/municipal governments to pursue integrated planning and service design and delivery

- This chapter will identify challenges and roadblocks in municipal/city administrations that hinder effective cross-silo co-ordination for better planning and service design and delivery. In so doing, the chapter will highlight models/structures, mandates and practice in national and sub-national governments across the OECD in whole-of-government co-ordination led by the Centre of Government.

- It will identify specific institutional and decision-making arrangements and practices that could be transposable to different cities and municipalities in Poland so that they can improve cross-silo co-ordination for better planning, improved regional and local Development Plans, and better service design and delivery for their residents.

- Where practical, this chapter (and all other chapters in this Review) will use one or more specific service areas to illustrate the assessment and recommendations – for example, affordable housing in municipalities; local and powiat-level transportation/mobility policies and programmes aimed at strengthening community cohesion and the efficiency and effectiveness of the local/sub-regional labour markets; or others to be defined/agreed with the Polish partners.

3. Strategic Planning for smart, sustainable and inclusive growth in cities and municipalities

- This chapter will assess co-ordination capacity in Polish cities and municipalities to effectively design and implement their medium and long-term development strategies.

- To do so, it will first map the responsibilities of cities and municipalities in public service design and delivery, along with some of the challenges in public service delivery in cities and municipalities.

- It will present some of the megatrends that are affecting governments at all levels and their capacity to deliver public services (e.g. climate change, digitalisation, demographic change, etc.) – as these megatrends are all cross-cutting and require a joined up/horizontal response across the administrative siloes of traditional government structures, including at the municipal level.

- Cross-silo co-ordination in any level of public administration is vital to enabling governments to articulate and pursue a multidimensional Development Plan through the design and application of Action Plans for this purpose, thus enabling municipalities to deliver public services that can effectively respond to the complex nature of the challenges facing citizens and improve results and outcomes for people in pursuit of the development goals identified in the Plan.

- For example, Gminas prepare medium and long term development plans which set out development conditions and priorities for investments – but in practice these are often ignored (their co-ordination across sectoral issues is weak and non-binding). This chapter will examine how to strengthen integrated planning.

4. The use of evidence – including performance evidence – in decision-making

- The chapter will examine city/municipal use and quality of evidence collected when designing and pursuing their integrated Development Plan and the associated Action Plans.

- It will assess city/municipal institutional **capacity and methods to engage in ex-ante and ex-post impact assessments** of decisions (whether regulatory or spending), along with the institutional framework for policy monitoring and evaluation before.

- Examination of the degree to which Polish cities and municipalities use **performance information** to inform decision-making related to budget and strategy setting and execution, as well as the nature and scope of engagement with citizens and civil-society organizations in performance-monitoring and the use of feed-back loops to improve policies and service.

5. Linking strategic planning and budget

- Focus on city/municipal capacity to set, execute and manage budgets, alone and in co-ordination with the other levels of government in Poland, in a way that effectively links budget design to strategy setting.

- This chapter will take into account the financial management tools currently being used at the local level, some having been developed by the Polish Ministry of Finance at the initiative of the APC, as well as work currently being carried out in the area of performance budgeting and management.

- The chapter will assess this capacity against the practice-based principles presented in the *OECD Recommendation of the Council on Budgetary Governance* and its related toolkit.

Public Governance and Territorial Development Directorate

RECOMMENDATION OF THE COUNCIL ON BUDGETARY GOVERNANCE

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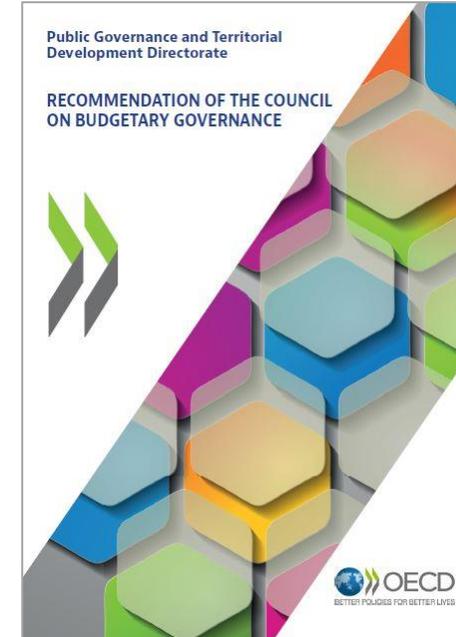
6. Strengthening multi-level governance and investment capacity of cities

This chapter will focus on strengthening multi-level governance and investment capacity of city/municipal governments in Poland.

It will focus on 3 main dimensions:

- Assignment of mandates/roles/responsibilities to different levels of government: The chapter will provide a diagnosis on the way responsibilities are assigned at different levels of government, and focus on what are the main challenges for cities and municipalities in the way responsibilities are assigned and financed;

- Strengthening local finances and investment capacity: Analysis of the strengths and challenges in the Polish local finance system against the practice-based principles of *the OECD Recommendation on Effective Public Investment across Levels of Government* and its related toolkit. Provide ways to mobilise innovative sources of funding for local/regional development

- Strengthening multi-level governance for regional and local development: Focus on horizontal co-ordination across city/municipal jurisdictions in functional economic regions and vertical co-ordination for effective multi-level governance between different levels of government.

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Recommendation of the Council on

Effective Public Investment Across Levels of Government

Adopted on 12 March 2014
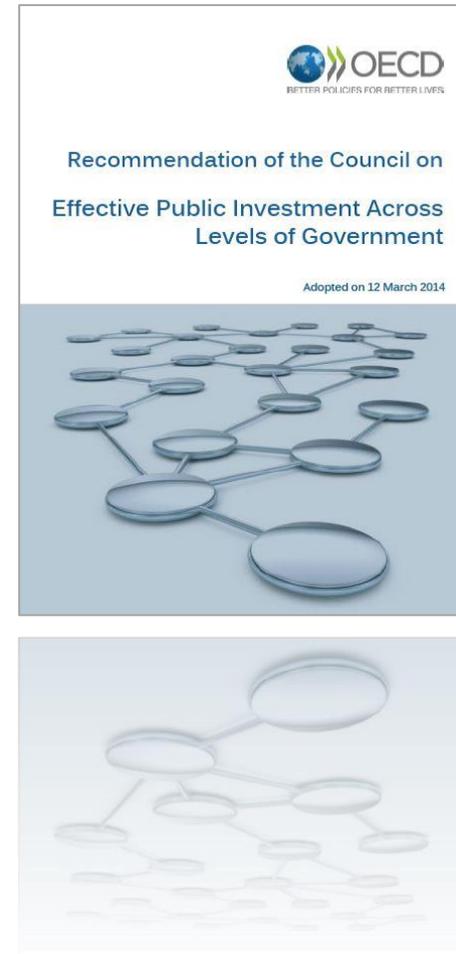
7. Strategic human resources management at the local/regional level

Building upon the *OECD Report Skills for a High Performing Civil Service* and the 2018 OECD *Recommendation* in this area, this chapter will explore the skills required to make better policies and regulations to deliver services to citizens, and focus inter alia on organisational culture, communications, and motivational frameworks (and other elements of soft/non-financial incentives) in cities/municipalities, as well as identify approaches for addressing skills gaps through recruitment, development and strategic workforce management.
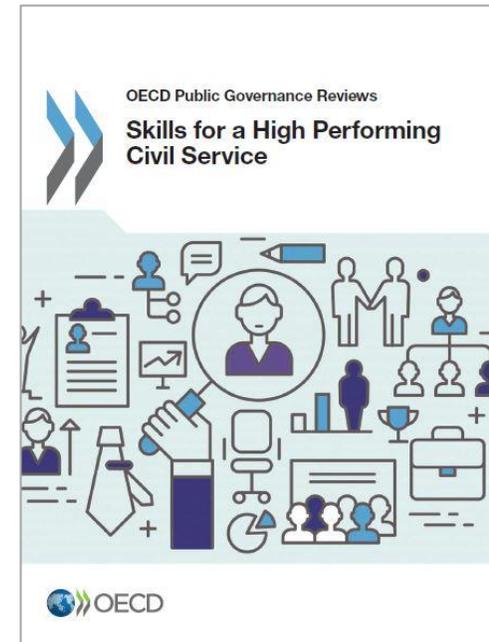
8. Open government policies and frameworks in cities and municipalities

- Using the *2017 OECD Recommendation of the Council on Open Government*, the chapter will assess Polish city/municipal standards, methods and practices in sharing information and evidence to engage citizens at all points in the policy cycle to make policy and service-design and delivery decisions.

- The chapter will examine the institutional capacity, organisational culture of communication with citizens and stakeholders, monitoring and evaluation mechanisms as well as the human and financial resources and skills in the civil service that are indispensable to sound open government reforms.

9. Reducing administrative burden and red tape for effective and efficient service delivery

- This chapter will examine the regulatory framework governing Polish cities/municipalities, including regulations from the European as well as national levels of government.

- It seeks to identify possibilities to reduce "red-tape" at the city/municipal level that will facilitate governance reforms at this level and improve the capacity of city/municipal civil servants to interact with, and deliver services effectively and efficiently to, residents in Polish cities/municipalities.

- This chapter will use municipal public procurement practices as a lens through which to assess Polish practices against OECD standards in this area

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RECOMMENDATION OF THE COUNCIL ON REGULATORY POLICY AND GOVERNANCE

FOCUS II: MUNICIPAL SELF-ASSESSMENT TOOL

Focus II
Municipal Diagnostic/Self-assessment Tool

As part of the assessment process, the Review will support the APC and the cities/municipalities in **designing and using a self-assessment diagnostic tool** of strengths and weaknesses in their public governance in order to enable municipalities to **improve public governance** generally over time, and in particular in the immediate term to **design and implement Action Plans for executing their Development Plans**:

- This self-diagnostic tool aims to enable municipalities to design Action Plans to execute their Development Plans; it aims to enable cities/municipalities to develop and implement a good-governance toolkit, notably to guide the preparation of these Action Plans in the immediate term.

- Focus-group workshops aim to "train the trainers" - the APC's advisors for cities/municipalities - to support them in providing APC cities/municipalities with public-governance diagnostic capacity in support of their preparation of these Action Plans.

PROJECT METHODOLOGY

Timeline (Assuming a June Launch)

- Q2 2019: Launch / Scoping mission
- Q3 2019: Questionnaires / Initial focus group workshops
- Q4 2019: Fact-finding missions
- Q1 2020: Workshops on self-assessment tool
- Q1 2020: Self-assessment tool finalised/tested
- Q2 2020: Report drafting
- Q3 2020: Sounding board mission
- Q4 2020: PGC/RDPC approval; Findings Launch

The OECD's Peer Review Methodology

- The OECD will apply its peer review methodology to this project and will take advantage of the Organisation's international expert and practitioner networks and comparative databases.

- Peer Reviewers – senior officials from local (as well as regional and national, where appropriate) governments who have faced or are facing similar challenges to those being assessed in the Review – will be selected based on discussions with the APC and the Ministry to engage in effective dialogue with their Polish counterparts on what works, what does not and why in their respective countries as a means to generate ideas on possible courses of action to address the public governance challenges in the cities/municipalities in Poland.

- The OECD will also include the Norwegian Association of Regional and Local Authorities (Donor Programme Partner) as an Institutional Peer.

Thank you!

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