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Decentralization of Social Services as a Precondition for Democratic Stability and Sustainability

Summary. The article is dedicated to exploring the decentralization of social services as a precondition for the sustainability of democracy and society, offering an overview of positive and negative factors involved in the process. A comparison is drawn up between the Ukrainian social services system and other European approaches. The key problems of the Ukrainian system that are brought out including an ineffective regulatory framework, state monopolization of the social services market, deficiencies of cooperation between the public and the private sectors, and its non-compliance with international quality standards.

Keywords: social services, public services, decentralization, local government, democratic stability

Introduction

Democratic and thus political stability and sustainability are the key factors for building up a successful and prosperous state. The stability problem usually becomes aggravated in the societies that are being transformed during the war, crisis, social conflicts, etc. Under the current conditions the issue acquires special importance for Ukraine as a state and a nation.

European integration of Ukraine provoked a new phase of economic transformation that involves changes of not only economic but also of a social sphere. This thesis leads us to the conclusion that effective social policy should include not only benefits guaranteed on the state level, but also a developed social services network easily accessible by the citizens.

The global economic crisis and the difficult situation in the Eastern Ukraine cause a permanent increase in the number of people who are in need of social assistance. That is why there is an acute necessity of social services system improvement in Ukraine, while it does not meet international standards and the contemporary needs of society in whole.

The existing system of social services provision in Ukraine is characterized by the high level of centralization and monopolization of this sphere by the state which mainly focuses on assisting vulnerable groups of people staying in residential institutions. However, an extensive network of social institutions and establishments that are subordinated to various ministries and departments causes absence of a single approach to financing the residential institutions that provide social services. Institutional mismatch of those social protection system institutions leads to the fact that they do not provide services of the relevant quality. It means that the budget resources are allocated for the public social institutions maintenance, rather than the needs of social services recipients.¹ As a conclusion, there is no effective mechanism for the social services provision which would guarantee purposeful social expenditures according to the needs of individuals and communities, as well as fruitful cooperation with other societal sectors, including the non-governmental sector of Ukraine.

One of the possible ways of modernizing the current economic system and achieving sustainable economic development according to the European experience is the decentralization of social services provision system combined with raising the local communities' role in decision-making processes.

Here are the following arguments for the positive effect of decentralization on the improvement of the social services provision effectiveness:

- those governments that are elected by the local community will be more responsive to their citizens' interests and needs while designing social services and allocating resources;
- citizens have better tools for declaring their wants and needs and are able to make the state and local officials responsible for the breaches of service provision;
- local taxes, donors' grants and drawn investments may become an extra financial resource for the local governments;

¹ O. Yevtushenko, *The Role of State And Local Governments in the Development of the State Service to Provide Quality Public Services. Scientific Papers*, "Political Science" 2009, no. 109

– the certain list of state government bodies powers will be fully or partly devolved along with the responsibility for the social services provision to local governments;

– central government will ensure that local governments have enough of financial resources for ensuring an excellent service provision level;

– local management capacity should be relevant to a better level of services.²

However, some influential factors may limit the decentralization impact on the social services provision quality. These are: central and local political incentives; quality of reforms; limited administrative capacity at local levels; limited supply of financial resources. That is why the need of reforming processes has arisen in the Ukrainian society. Still, the reforms implementation quality is quite a sensitive issue because of the constant changes in legislation, as well as frequent formal transformation of the central executive bodies.

Most of the authors are skeptical about the central governments' motives in decentralization step. Some scientists point out at the danger for the local powers to be captured by certain society groups and at the entrenchment of patronage politics.³

The obstacles for local administrative capacity development can be observed as follows:

– inadequate division of power, over finance and staff in particular,

– vague, inappropriate systems structures and procedures, tools used,

– inappropriately qualified, underpaid staff with low motivation for effective work and self-development,

– political influences, corruption schemes and abuse of power,

– lack of higher authorities' accountability for low quality of work and staying passive.⁴

As for the financial constraints, there is a scientific debate which divided the authors into two groups: some report that is possible to increase resources by tax revenues, adjusting the level of taxes and fees. While others argue that the tax base may not provide significant incomes, because the tax base of local taxes is very small.

In conclusion, it is important to recognize that apart from the empirical evidence that declares the decentralization to be not able to make significant improvements in service delivery.⁵ The decentralization of social services foresees

² N. Bullain, L. Panov, *A Handbook on Non-State Social Service Delivery Models. A Guide for Policy Makers and Practitioners in the CIS Region*, The UNDP Regional Bureau for Europe and the CIS, Bratislava 2012.

³ Ibidem.

⁴ Z. Scott, *Decentralization, Local Development and Social Cohesion: An Analytical Review*, GSDRC Research Paper, 2009, www.gsdr.org/docs/open/PO60.pdf [1.05.2009].

⁵ Ibidem.

the powers transfer in the spheres of management and social services delivery to local governments. This issue research requires specification of the “social services” concept.

The Law of Ukraine “On Social Services” gives the following definition for this: a set of measures for the assistance provision for certain social groups who are in difficult situations and are not able to overcome them in order to solve their life problems. Moreover, difficult life circumstances are the circumstances caused by disability, age, health, social status, life habits and way of life, due to which a person is partially or completely do not (did not acquire or has lost) have the ability or an opportunity to take care of his/her own (family) life, as well as to participate in public life.⁶

There is no unambiguous interpretation of the “social services” concept essence of the official EU documents. Still, the basic approach to the definitions includes:

- statutory and supplementary social security schemes cover the main life risks such as unemployment, health issues, disability, industrial accidents, retirement;
- other essential services delivered directly to the person, which play a preventive role and aimed at facilitating social inclusion and guaranteeing fundamental rights. This includes:
 - assistance for persons facing personal challenges or crises (debts, unemployment, drug addiction);
 - activities that ensure reintegration (rehabilitation, language training for immigrants, occupational training) of certain individuals into the society and in the labor market;
 - activities that ensure integration of the persons with long-term health problems or with disability;
 - providing different kinds of housing (for disadvantaged citizens, socially less advantaged groups, etc.).⁷

In addition, in EU documents that refer to the topic one may find the “social services of general interest” term (SSGI). They are determined as a type of services of general interest, that are delivered not only to the poor and those who are socially vulnerable, but also to a wide spectrum of the society and that are aimed at achieving solidarity and social, territorial, economic cohesion.

That means that, according to European the Union documents, the definition of the “social services” concept is slightly wider and covers more general issues: a list of different types of socially aimed activities. In addition, the legislation

⁶ M. Kravchenko, *Decentralization Mechanisms of Social Services in Ukraine*, “Democratic Governance” 2014, no. 14.

⁷ *Discovering ISO 26000. International Organization for Standardization*, 2014, www.iso.org/iso/discovering_iso_26000.pdf [6.03.2010].

of Ukraine has certain restrictions on the social services provision in case of life difficulties. While it is clear that social services should be provided in all the circumstances, including cases of implementation of all the social human rights (the right to education, health, etc.).

According to the laws of Ukraine, social services may be provided as by the state authorities, local authorities, as by the NGOs. However, we consider the basic level of social services a local one - the level of the local community. While we also agree with the expert opinion of O.N. Yevtushenko that if a social service is based on the constitutional rights of citizens, their implementation must be provided by the state. In this case the state is not entitled to self-withdraw, while this thesis does not prohibit the services provision by non-governmental, commercial agencies.⁸

Thus, the essence of social sphere decentralization should help to increase the local authorities' role in planning, organization and delivery of social services, as well as their responsibility for services quality provision.

This idea is far from being fresh for Ukraine, but there were no real steps made other than theoretical implementation into various concepts. Under the European integration context the public policy nature of recent years has led to the actualization of this issue and the need for approaching European standards.

It is necessary to consider the main problems in the social services system in Ukraine. One of the weaknesses of the social services sphere in Ukraine is a mismatch between legal and regulatory support. Nowadays there are many regulations that ensure functions and areas of work blurriness. In addition, constant reform and legislation changes don't give the opportunity to yield the real results. Another disadvantage is the lack of a competitive environment in the social services provision sphere. That is why there are almost no alternative entities providing social services except the state.

One of the preconditions for democratic stability and sustainability development is a civil society branched system that involves the state and private sectors effective cooperation.

According to the O.P. Krentovska, for the moment there is no any serious social services market in Ukraine. NGOs do not have access to the services provision within the social order framework. A possible cooperation with charitable and religious organizations is poorly developed. The self-financing possibility is not used enough for the social services provision.⁹

The problem is that the state power bodies do not fully perceive the civil society as an equal partner for the social services organization and provision, being not ready to transfer financial resources and some of the powers to the non-gov-

⁸ *Discovering ISO 26000...*

⁹ Z. Scott, op. cit.

ernmental organizations.¹⁰ At the same time, talking about the European countries of the former Soviet Union, such as Poland, Romania, Hungary and Bulgaria, there is more than a half of the total number of entities that provide social services being non-governmental (profit and non-profit) organizations.¹¹

Cooperation with the non-governmental sector may be implemented in Ukraine while it produces many positive effects. First of all, it will provide a wider target group among the population that needs help and solution of many social problems. This, in its turn, will provide development and maintaining the direct contact with the individuals consuming social services, which will help to study the needs and expectations, as well as the current social situation changes within the community. Secondly, it would cause a better quality of service provision, because non-state actors will provide a range of social services at their own expense or through self-financing, financial assistance charities, other international funds. This fact is important for removing a certain burden from the state. Thirdly, public control over the social services quality and the local social programs effectiveness will become possible.

A problem of the social services quality improvement is equally important and urgent for Ukraine. We should also note that this issue is one of the social policy priorities in the European countries. Thus, the basic documents that are used for the social services quality assessment are the international standards of quality: ISO 9000, ISO 9001 and ISO 26000.

ISO 9000-9001 “Quality Management” standards contain the basic principles of quality management, which include:

- QMP 1 – Customer focus (customer satisfaction, loyalty, etc);
- QMP 2 – Leadership (better coordination and communication within the organization);
- QMP 3 – People engagement (personal development, initiatives and creativity, trust and collaboration);
- QMP 4 – Process approach (enhanced ability to focus efforts on key processes and improvement opportunities, effective process management and resources use, etc);
- QMP 5 – Improvement (drive for innovation, improved performance process, organizational capabilities, ability to react to internal and external risks/opportunities);
- QMP 6 – Evidence-based decision-making (improved decision-making processes, processes assessment, ability to achieve effectiveness and efficiency);

¹⁰ O. Yevtushenko, *op. cit.*

¹¹ Social Services, Law of Ukraine of 19.06.2003, no. 966-IV; <http://zakon0.rada.gov.ua/laws/show/966-15> [19.06.2003].

Table 1. An Overview of the Overarching Quality Principles for the Social Services Provision

	Principle Applied for the Service	Characteristic of the Principle Essence
1.	Available	Access to a wide range of social services should be provided to users meeting their needs, with freedom of choice among the services offered in a place that is the most advantageous for the users.
2.	Accessible	Social services and information about them should be easily accessible for all users, including people with disabilities.
3.	Affordable	Social services should be provided for all the users either free of charge or at a price which is affordable for them.
4.	Personality-oriented	In order to improve the life quality and equal opportunities for everyone the social services must meet the needs of everyone. Social services should take into account the users' environment (physical, intellectual and social) and should respect their cultural specifics.
5.	Comprehensive	Social services should be provided in an integrated system that reflects needs, possibilities and preferences of users and, where appropriate, of their families and social dependants.
6.	Continuous	Social services should be provided as long as the need exists.
7.	Outcome-oriented	Social services should be focused primarily on creating the benefits for users, taking into account their families, informal dependants and communities.

Source: compiled by the authors on the base of *A Voluntary European Quality Framework for Social Services*, The Social Protection Committee, 2010, ec.europa.eu/social/BlobServlet?docId=6140&langId=en [8.06.2009].

– QMP 7 – Relationship management (common goals and values).¹²

The international standard ISO 26000 “Social responsibility” includes recommendations for socially-oriented enterprises, as well as the principles of sustainable development. It declares the following key issues of social responsibility:

- human rights;
- labor practices (employment relationships, conditions of work, health and safety at work, social protection issues);
- the environment (pollution prevention, climate change counteraction);
- fair operating practices (anti-corruption, fair competition, etc.);
- consumer issues (health and safety, consumer service, support, complaint and dispute resolution);

¹² *Report-Monitoring System of Social Services in Ukraine*, Office of Social and Political Development, 2015, <http://bureau.in.ua/downloads/social-reform/reportua.pdf> [18.08.2015].

– community involvement and development (education, culture, technology development, social investments).¹³

The European Social Protection Committee works over defining a common understanding on the social services quality principles, which were united into four groups: overarching quality principles, groups of principles defining the relationships between service providers and their users, between service providers, public authorities and other stakeholders and a group of principles for human and physical capital quality. Overarching quality principles include the following features (table 1).

Ukraine has become a member of ISO through active scientific-research and training centers of standardization, certification and quality, while not all the national standards meet international ones, especially those referring to the context of social services.

As a conclusion, we consider it to be reasonable to leave the state with a role of a main contractor and a supervisor of social services provision while the execution itself will be devolved to other social actors (such as: socially-oriented businesses and organizations, public and charitable organizations and other interested entities). Still, it is important to note that the state still will bear the responsibility for the social services quality and that is why licensing of these entities and periodic monitoring of customers satisfaction should be obligatory.

Conclusion

The problems characters that have been accumulated in the national social services system indicate the need for immediate action. Considering the European integration vector of our country development the need for steps towards decentralization of power becomes evident. This includes empowerment of local authorities in the field of social security, as well as in the sphere of their certain independence. The main goal of this transformation and improvement process is to provide the ability to determine, to plan and provide the range of necessary social services at the level of territorial communities.

The main steps in this direction are: further administrative reform in Ukraine, the cooperation of public and private sectors, including public and charitable organizations and other stakeholders. The main beneficiaries of this reform should be namely the recipients of social services, because ideally it is aimed at interaction between the state and the community in order to determine the urgent social problems demanding immediate solution. This will ensure the expanding scope of social services with improved targeting, price scale and relevant quality of provi-

¹³ *Discovering ISO 26000...*

sion. Another important step is social services compliance with the international quality standards. This involves changing the basic principles of their provision and setting new tasks for Ukrainian social services.

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Decentralizacja usług społecznych jako warunek stabilności i trwałości demokracji

Streszczenie. W artykule mówi się o decentralizacji usług społecznych jako jednym z warunków stabilności demokracji. Omówiono wpływ decentralizacji na jakość usług społecznych, wskazując czynniki pozytywne i negatywne. Dokonano ponadto porównania charakteru usług społecznych dostarczanych w myśl standardów europejskich ze specyficznym podejściem ukraińskim. Zidentyfikowano przy tym główne problemy w obszarze świadczenia usług społecznych.

Słowa kluczowe: usługi publiczne, decentralizacja, samorząd lokalny, stabilność demokracji