

ORGANIZATIONAL SUPPORT FOR THE DEVELOPMENT OF UNITED TERRITORIAL COMMUNITIES

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Abstract. *The main purpose of the study was to develop organizational support for the development of united territorial communities. The theoretical part of the study analyzes the role of the territorial community in the formation of the system of local self-government in order to identify factors for successful community development. The empirical part of the study identifies a number of specific principles for the development of territorial communities. The scheme of organizational support of development of united territorial communities is offered and advantages concerning its use are given. It should be borne in mind that the scientific objective basis for the organizational support of the mechanism of development of territorial communities should be a set of economic laws, without the proper use and consideration of which it can not perform its functions. To implement this mechanism it is necessary to use the basic principles. The ways of forming the capacity of the united territorial community and their transition to economic self-development are given. Forms, methods and mechanisms of cooperation of the united territorial community and local self-government bodies are offered.*

Raktažodžiai: *organizacinė parama, vietos savivalda, vieninga teritorinė bendruomenė, jungtinės teritorinės bendruomenės pajėgumas, biudžetas*

Keywords: *organizational support, local self-government, united territorial community, capacity of the united territorial community, budget*

Introduction

In the modern conditions of our state considerable attention of scientists needs problems of improvement of organizational maintenance of development of regional communities. The unification of territorial communities in Ukraine began on March 5, 2015, when it came into force Law of Ukraine "On Voluntary Association of Territorial Communities" (About voluntary association of territorial communities: Law of Ukraine, 2015). The unification of territorial communities is carried out in accordance with the Methodology of Capacity Building. territorial communities (Methodology of formation of capable territorial communities, 2015) and consists of the following stages: initiation of a voluntary association; public discussion of the proposal of the voluntary association; decision-making by the council on granting consent to voluntary association and delegation of a representative to develop a draft decision on voluntary association; decision-making by the council on approval of the draft decision on voluntary association; submission of a decision to the regional state administration for an opinion on compliance of this draft with the Constitution and laws of Ukraine; order of the head of the regional state administration regarding the compliance of this draft with the Constitution and laws of Ukraine; adoption by councils decision on voluntary association of territorial communities. That is, according to the Law, the process voluntary association of territorial communities necessarily takes place with the active participation of local residents and with their consent.

The main subjects this law defines adjacent territorial communities within one oblast. Among the problems of forming a modern system of local government, much attention is paid to reforming the system of local self-government, which will determine further stable development of Ukrainian society (Zhuk, 2015).

The issue of efficiency of public management of regional development and transparency of the mechanism of financial provision and stimulation of development of territories remains relevant for domestic realities (Negoda, 2017). The purpose of the study is to develop organizational support for territorial communities of Kharkiv region. The objectives of the article are: to determine the role of territorial communities in the formation of the system of local self-government in order to identify factors for the successful development of communities; determination of the principles of development of territorial communities; provide recommendations for the development of territorial communities of Kharkiv region.

To achieve the goal of the article in the research process the following methods were used: theoretical generalization - to clarify the understanding of the development of territorial communities, their formation; statistical analysis - to study, group and compare empirical data and study the income of territorial communities of Kharkiv region; analysis and synthesis, system approach - determining the priorities of territorial communities and key factors for

organizational support of their development.

The results of the study confirm the sharpness of political and legal discourse and other studies on the right of communities to self-organization (Batanov, 2018) and the rights of territorial communities as territorial-administrative units to manage their territory and resources (Babiy, Skorobagatko, 2018; Vasilieva, Vasilieva, 2018).

Organizational support for the development of united territorial communities

With the beginning of the reform of local self-government and territorial organization of power, local self-government bodies received powers, own resources and additional external resources. One aspect of development territorial communities is to increase the community budget for its development. The decentralization reform envisages the creation of a new link in the system of the administrative system of Ukraine through implementation a new administrative-territorial unit - a united territorial community (Negoda, 2018).

Decentralization has become a real chance for economic recovery of Ukrainian cities and villages. Decentralization will be not only be implemented through rather complex integration, but involve a specific mechanism in the practice of public management for regional development (Gavkalova, Kolupaieva, 2018). For the first time during the years of independence, each administrative-territorial unit was given the opportunity to independently manage the earned funds, to be the owner of their own land (Radelytskyy, 2019). Over the last five years (April 2014 - April 2019) reform decentralization in Ukraine formed 888 united territorial communities, in 60 of which the first local elections are scheduled for June 30, 2019. According to the common European practice of local self-government reforms, this is one of the highest achievements in terms of the number of grouped communities for such a short period of time (Schneider, 2015). However, this rate of consolidation does not guarantee that local communities will be able to fully provide all their need.

The role of territorial communities in ensuring the interests of citizens in all spheres of life in the relevant territory at the present stage is key. Local reform self-government and territorial organization of power on the basis of decentralization, conceptual principles of which were approved in 2014, and practical implementation began in 2015, proved to be among the most effective and prominent of announced strategic reforms by the Government (Lunina, 2016). Decentralization reform aimed at creating a modern system of local self-government in Ukraine on the basis of European values of local democracy, endowment of united territorial communities with powers and resources that will ensure local economic development, provision of high quality and affordable public services (Lisovyi, 2018; Baranovskaya & Ostapenko, 2015).

Today, the issue of attracting funds for rural development and stable provision of public finances needs to be considered support for voluntary association of united territorial communities.

Analysis of foreign experience

In contrast to Ukraine, the Constitutions of some countries explicitly state the right of communities, gminas, communes and municipalities to unite.

Thus, according to the Constitution of the Republic of Poland (Konstytucja Rzeczypospolitej Polskiej, 1997) "the basic unit of territorial self-government is the gmina (community)" (Article 164); "Units of territorial self-government are legal entities" (Article 165); "Territorial self-government units have the right to unite" (Article 172). The population of the gmina forms a self-governing community in accordance with the law, and the gmina is understood both as a self-governing community and as a relevant territory (Ustawa o samorządzie gminnym, 2018).

In Spain, the Constitution guarantees the autonomy of municipalities, which have the full rights of a legal entity. Here, municipalities are also both communities and a unit of territorial organization of the state (Bila, 2015).

The Constitution of the Republic of Estonia (Constitution of the Republic of Estonia, 1992) stipulates that "all issues of local life and its organization are dealt with by local governments, which act independently on the basis of laws" (Article 154); "Local self-government units are parishes and cities" (Article 155); "Local governments have the right to form unions and institutions together with other local governments" (Article 159).

In Switzerland, the right to local self-government at the local level is represented by communes, and on regional level cantons. The legal status of communes is regulated by the constitutions of the cantons (Thiessen, 2019). So, according to Art. 110a of the Constitution of the Canton of Bern "the canton provides for the creation of special corporations of communes, designed for mandatory regional cooperation between communes. The creation and disbandment of the corporation requires the consent of the majority of voters and the majority of communes that were part of it" (Boryslavska O., Zaverukha I., Zakharchenko E, 2012). Communes in Switzerland, like communities in Ukraine, are not administrative-territorial units.

Analyzing the experience of different countries, we can see that there is inter-municipal cooperation and Association of communities has some differences, which, in our opinion, are lacking in Ukraine during the implementation decentralization reforms. First, the territorial community in Ukraine is formed and terminated by law and does not have status of a legal

entity, so its main representative are bodies and officials of local self-government.

Secondly, the territorial community in Ukraine is not an administrative-territorial unit. Settlements are within the jurisdiction of territorial communities. Communities choose their own representative bodies - village, settlement, city councils, which have powers within the population points and beyond (within the administrative boundaries of these councils). This is due to the fact that previously the city, town, village council was considered an independent administrative-territorial unit.

Reflecting on the legislative definition of the procedure for leaving the territorial community from of united territorial community worth emulating in Ukraine, is the experience of Estonia. However, it is not known how possible

Development of territorial communities of Kharkiv region

During the democratic transformations taking place in Ukraine in the conditions of decentralization and reform of local self-government, special attention is paid to the unification of territorial communities.

United territorial communities are given the authority to plan community development and budgeting; stimulating economic development and attracting investment; land resources management; public safety and fire protection; organization of passenger transportation on the territory of the community; education and culture; provision of social and administrative services; primary care (Donchenko, 2020).

At different stages of development of united territorial communities one of the main problems of management is identification of key factors, increase of efficiency of functioning of economic systems, development of schemes of management of these factors, realization of the effective mechanisms providing reception of the set results of effective management of united territorial communities (Kresina, 2019). Thus, there is a need to identify or create appropriate tools and mechanisms for organizing financial and time reserves by improving the system of organization of economic processes.

The administrative-territorial structure of the Kharkiv region provides for the division into 27 districts, 7 cities of regional significance, 10 cities of district significance, 61 urban-type settlements. During 2015-2019, within the framework of decentralization reform in Kharkiv region, 23 united territorial communities were formed, which is 38.3% of the Perspective Plan for the formation of communities in Kharkiv region (approved by the Cabinet of Ministers in December 2019).

The main characteristics of the united territorial communities of Kharkiv region are given in (table 1).

Characteristics of the united territorial communities of Kharkiv region for 2020 Table 1

№	Name	Population persons	Area of united communities sq. km	Number of merged councils	Type	District
1	Velykoburlutska	7119	221	2	settlement	Velykoburlutsky
2	Donetsk	17732	139,75	2	settlement	Balakliysky
3	Zachepylivska	10835	523,89	7	settlement	Zachepylivsky
4	Zolochivska	25113	917,01	13	settlement	Zolochiv
5	Izyumskaya	48479	103,77	2	city	Izyumsky
6	Kindrashivska	4877	365,66	7	rural	Kupyansky
7	Kolomatska	6906	329,55	5	settlement	Kolomatsky
8	Kurylivska	8308	242,424	3	rural	Kupyansky
9	Lozivska	79087	1143,26	20	міська	Lozivska
10	Malynivska	8339	122,45	2	settlement	Chuhivskyi
11	Malodanylivska	13572	94,37	2	settlement	Derhachivskyi
12	Merefyanska	25252	167,78	2	city	Kharkiv
13	Natalinska	6350	180,7	3	rural	Krasnogradsky
14	Novovodolazka	16531	351,63	6	settlement	Novovodolazka
15	Oleksiyivska	6301	532,54	7	rural	Pervomaisky
16	Oskilska	5829	360,47	4	rural	Izyumsky
17	Petropavlivska	5455	336,879	4	rural	Kupyansky
18	Pisochynska	32589	81,62	6	settlement	Kharkiv
19	Rohanska	13860	86,01	2	settlement	Kharkiv
20	Starosaltivska	7894	472,65	6	settlement	Vovchansky
21	Starovirivska	5845	365,45	3	rural	Novovodolazka
22	Tsyrukunivska	8975	137,88	2	rural	Kharkiv
23	Chkalovska	12342	386,97	6	settlement	Chuhivskyi

Note. Built on data (Monitoring the process of decentralization of power and local government reform as of 2020)

Among the territorial communities that initiated the unification process, there are territorial communities with up to 5,000 people, which creates risks of their ability to self-development and effective implementation of delegated powers to ensure a decent standard of living. In terms of the number of districts where the process of voluntary unification of territorial communities has

not started, Kharkiv region occupies the worst position among the regions of Ukraine of the corresponding group (figure 1).

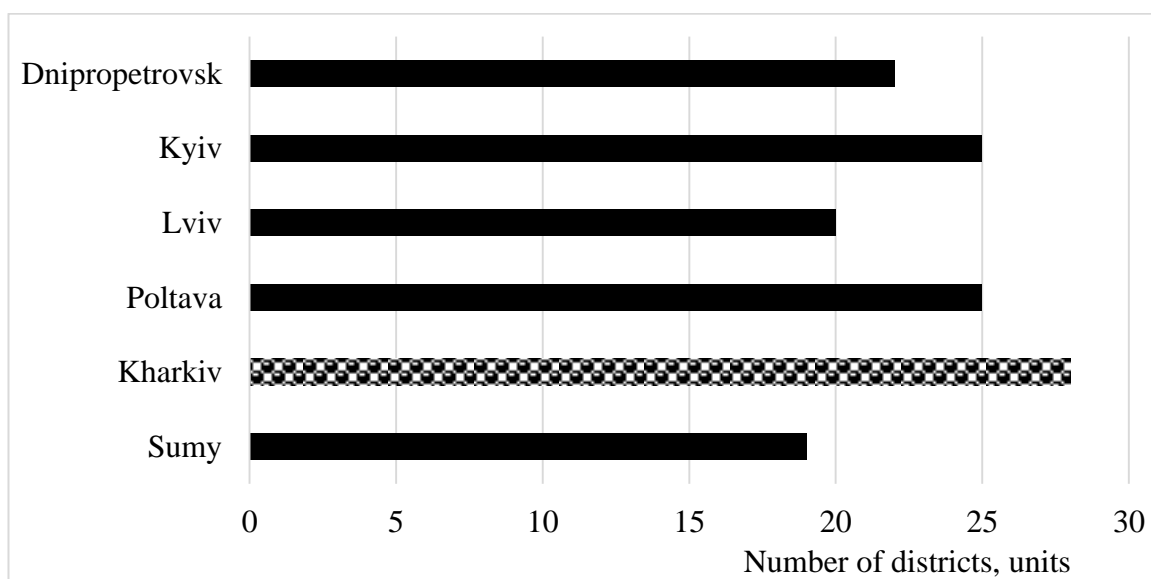


Figure 1. Number of districts in the regions of Ukraine where the process of voluntary association of territorial communities has not started

Note. Built on data (State Statistics Service of Ukraine; Monitoring the process of decentralization of power and local government reform as of 2020)

The financial condition of the development of the united territorial communities of Kharkiv region in terms of income of the general fund per 1 inhabitant testifies to their significant differentiation. Thus, for 9 months of 2019, the average income of the general fund per 1 inhabitant for 17 united territorial communities of Kharkiv region was equal to 4497.7 UAH per 1 inhabitant (figure 2).

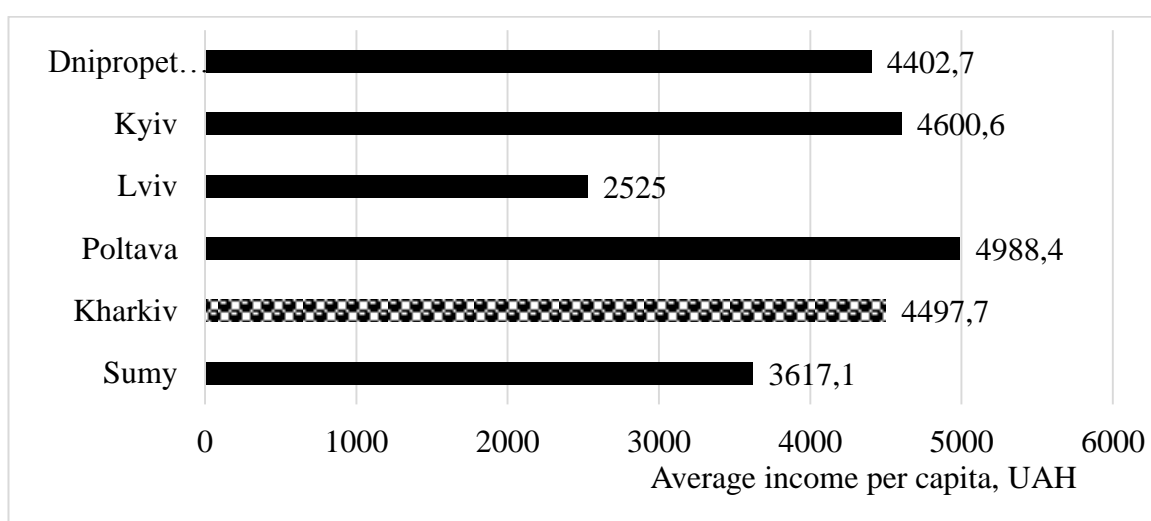


Figure 2. Average incomes of the general fund per 1 inhabitant of the united territorial community by regions of Ukraine

Note. Built on data (State Statistics Service of Ukraine; Monitoring the process of decentralization of power and local government reform as of 2020)

According to the indicator of incomes of the general fund on 1 inhabitant of the united territorial communities of the Kharkiv region exceed the average value across the country of 2129,2 UAH more than 2 times. The highest indicator of income of the general fund was received in Natalyn united territorial community - UAH 13,615.2, the lowest value - in Merefyanska - UAH 2,359.7. In Kharkiv oblast, there are 11 united territorial communities that have received a basic subsidy from the state budget (from 1.5% in Malynivska's revenues to 20.6% in Oskilska). 3 associations territorial communities transferred to the budget a reverse subsidy of up to 18.2% of revenues (figure 3).

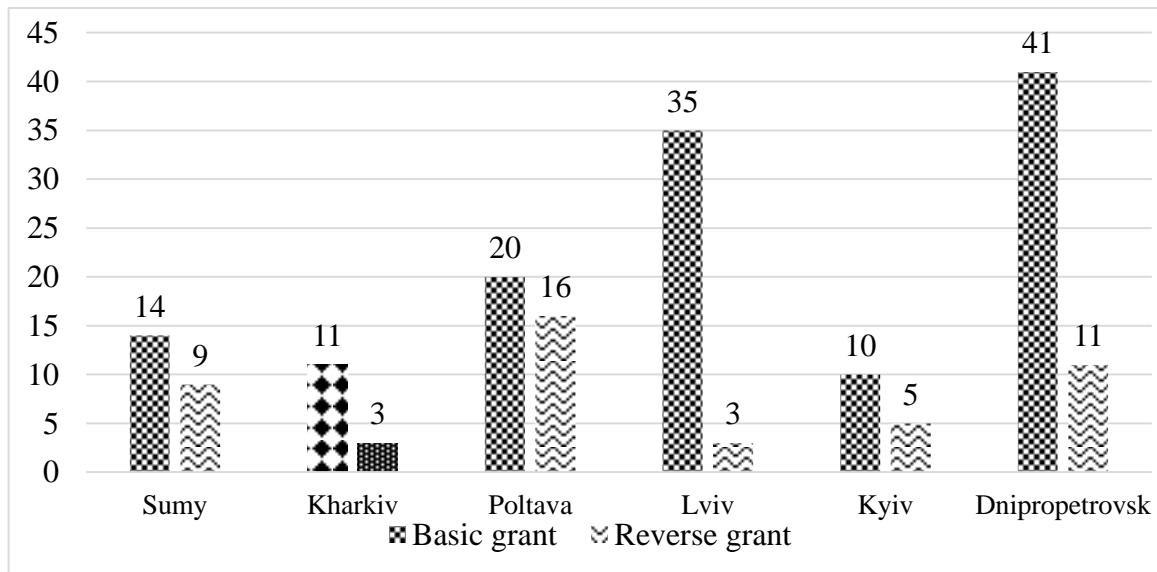


Figure 3. Number of united territorial communities in the regions of Ukraine that transfer a reverse subsidy to the state budget and receive a basic

Note. Built on data (State Statistics Service of Ukraine; Monitoring the process of decentralization of power and local government reform as of 2020)

Obstacles to the development of united territorial communities in Kharkiv region are: imperfection of legislation in the framework of delegation of powers of united territorial communities within the reform of decentralization and their financial support; lack of financial resources for the functioning of communities; lack of qualified personnel for the development and implementation of strategies and projects, as well as the implementation of other powers delegated within the reform of decentralization of power; migration trends between the united territorial communities in search of better living and working conditions; low involvement of residents in the functioning and development of communities.

There are also problems such as inconsistencies and lags of line ministries in the current pace of decentralization and their response to the challenges facing emerging communities. The next problem that is often mentioned is the staff shortage for the new executive committees, because working in them requires more knowledge and experience.

Development of united territorial communities and prospects of their development

Analyzing the functioning of territorial communities in the Kharkiv region, today, the reasons for the low level of their socio-economic development should be noted and inefficient use of financial and economic potential. Among the main identified are:

- low level of financial capacity of local budgets;
- underdevelopment and obsolescence of the infrastructure base;
- lack of effective and efficient antidepressant programs ensuring the development of rural territorial communities;
- insufficient full use of transport benefits maintenance, unoccupied roads and their unsatisfactory condition;
- underdeveloped institutional infrastructure for development innovation and investment activities, underdevelopment of entrepreneurship activities and lack of prerequisites for its development;
- inefficiency and inconsistency of environmental policy natural environment;
- inconsistency of the pace of development of public utilities and housing construction;
- ignorance and disinterest of local governments in ensuring the development of the territorial community;
- inefficient use of social infrastructure;
- low quality of labor resources, etc.

In accordance with these problems of development of territorial communities due to the formation and start of operation of the combined territorial communities there is a need to ensure the development of local level in the long run (Nnanta, 2013). The united territorial community should be considered as a capable territorial community, which has a greater amount of its own powers and the powers delegated to the relevant local government, receives a state subvention for socio-economic development. Such a community has a direct legal relationship with the State budget. In terms of formation united territorial communities the need to define strategic areas of development, risk analysis and opportunities for use financial and economic potential is caused by:

- first, by changing the internal and external conditions of operation communities as such;
- secondly, by changing systemic approaches to the issue of management regional and local development;
- thirdly, the need to determine the main priorities of community development (figure 4).

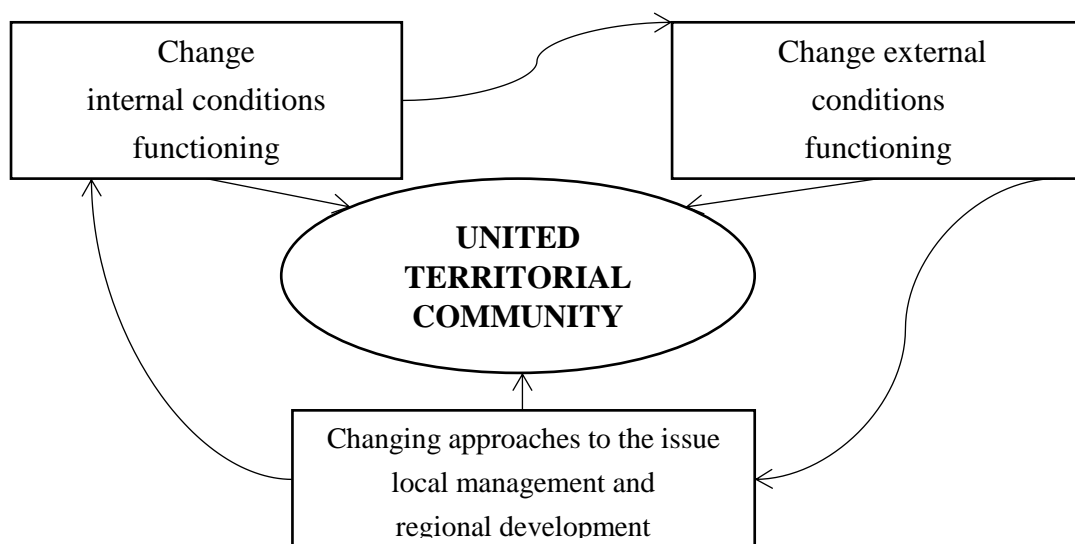


Figure 4. The main factors influencing the development of the united territorial communities in the context of local government reform

Note. Built by authors

Among the factors that influenced the change in the internal conditions of operation territorial communities, include:

- change of conditions of community development as a result of merging into one several, which creates risks of internal competition;
- formation of local self-government bodies with extended ones powers and rights;
- transfer to the basic level of additional financial resources and functioning of local governments as a "filler" local budgets.

Among the factors that influenced the change in external operating conditions territorial communities, include:

- the process of administrative-territorial reform and local reform self-government, resulting in the formation of united territorial communities and change of their powers;
- changes to the Budget and Tax Codes of Ukraine, in particular, changes conditions for providing intergovernmental transfers;
- change of conditions of interaction of united territorial communities with state ones and regional authorities.

Changing approaches to local and regional governance development is caused by the fact that if before the decentralization process in I Ukraine, the main task of territorial communities was to provide distribution of funds received by the local budget in the form of grants and subventions, then with its launch the united territorial community has independently with the maximum efficiency to provide the development and achieve financial capacity through the use of their own financial and economic potential.

It should be noted that a significant problem of organizational support development of a united territorial community and ensuring effective the use of financial and economic potential is almost complete lack of data to identify and track the dynamics of social and economic processes. Therefore, the full formation of organizational support for development united community is almost impossible, but after 3-5 years on the basis preliminary data on the development of the territorial community it will be possible exercise more effectively.

The effective development of the territorial community depends primarily on two interrelated factors: available financial and economic capacity and success of local governments in the issue of efficiency of use of available potential. So, the development of the territorial community should include an assessment of the activities of the bodies self-government and determination of directions of activity and use potential for the long term

Yes, one of the main goals of local authorities self-government of united territorial communities of Kharkiv region is to ensure development local economy and increase the level of economic capacity and community competitiveness. In the context of this strategic development goal communities identified the following main areas of operation (figure 5).

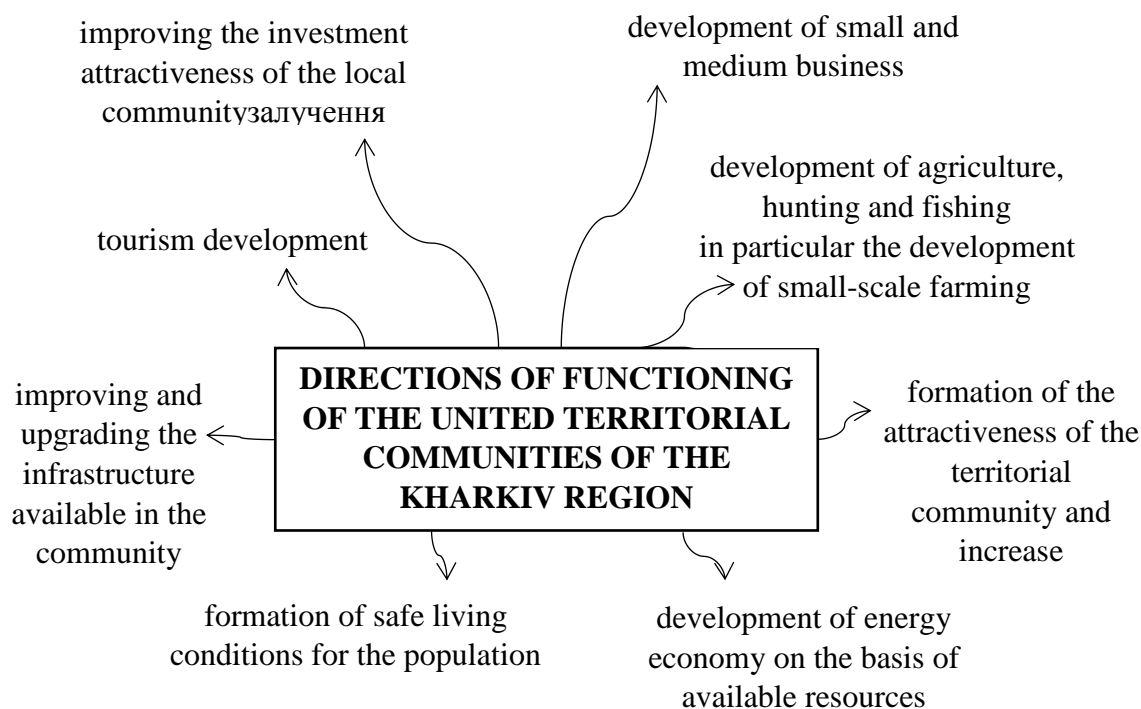


Figure 5. Directions of functioning of the united territorial communities of the Kharkiv region

Note. Built by authors

It is necessary to clearly define the benefits that will be up achieved as a result of the reform of the territorial body organization of power and administrative optimization of territorial foot device:

- streamlining the system administratively real units, their unification;
- increase the efficiency of budget use their funds;
- improving the quality and accessibility of public servants of the population;
- suspension of degradation of rural areas;
- sustainable and financially viable local self-government blowing.

Conclusion

1) Local governments, rural, mayors, in cooperation with local state administrations are obliged to learn to organize the economy of their own territory on the basis of existing unique local advantages, create conditions for self-organization and employment.

2) According to the analysis of the united territorial communities of Kharkiv region, it is necessary to go as soon as possible to form capable territorial communities that have become new points of socio-economic growth, giving them the maximum amount of authority, resources and increased responsibility for their future. The correctness of this strategy is confirmed positive results of the predominant activity most of the united territorial communities, which have taken the main responsibility for their development. Newly formed affluent communities in their predominant most have all the prerequisites for creating favorable conditions for the development of their territories, modern infrastructure, the provision of quality services and raising the level of life of citizens.

3) The definition of the main directions of increasing use financial and economic potential at the level of territorial communities will allow ensure stable community development.

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