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## **ORGANISATIONAL ASPECTS OF EXECUTION OF THE LOCAL REVITALISATION PROGRAMMES IN THE LARGEST CITIES IN POLAND - INDICATION OF DIRECTIONS OF FURTHER RESEARCH**

### **8.1 INTRODUCTION, RESEARCH SAMPLE**

Management of the urban revitalization processes on the level of the city demands designing dedicated organizational structure acting on behalf of the executive body – i.e. mayor of the city. The qualifications of the members of the structure should reflect the requirements and interdisciplinary character of the renewal processes themselves. The structure should also have decisive power strong enough to make difficult and unpopular decisions that may be encountered when executing projects and conducting the process. The research was conducted on the group of 65 cities with the rights of the district, 42 of which responded to the questionnaire.

### **8.2 GENERAL REMARKS ON STRUCTURES RESPONSIBLE FOR URBAN REVITALISATION**

One of the decisions that must be taken along with accepting the whole revitalization program is determination and foundation of the structure and model of functioning of the executive entity. It is required by the program itself, but also by the regional authorities' requirements and indications for preparation Local Revitalization Programs [7]. The local need for establishing a dedicated executive structure results from the fact that a wide co-operation with business and society partners is absolutely crucial and it usually exceeds the regular fields of activity of the municipal office or city council. The entities involved in urban regeneration on the level of the city can be divided into three groups:

- local government – both executive and regulatory bodies (i.e. the mayor and the council),
- managing and implementing body – coordinating implementation of the program on behalf of the local government and its partners,
- executive entities – responsible for implementation of particular projects.

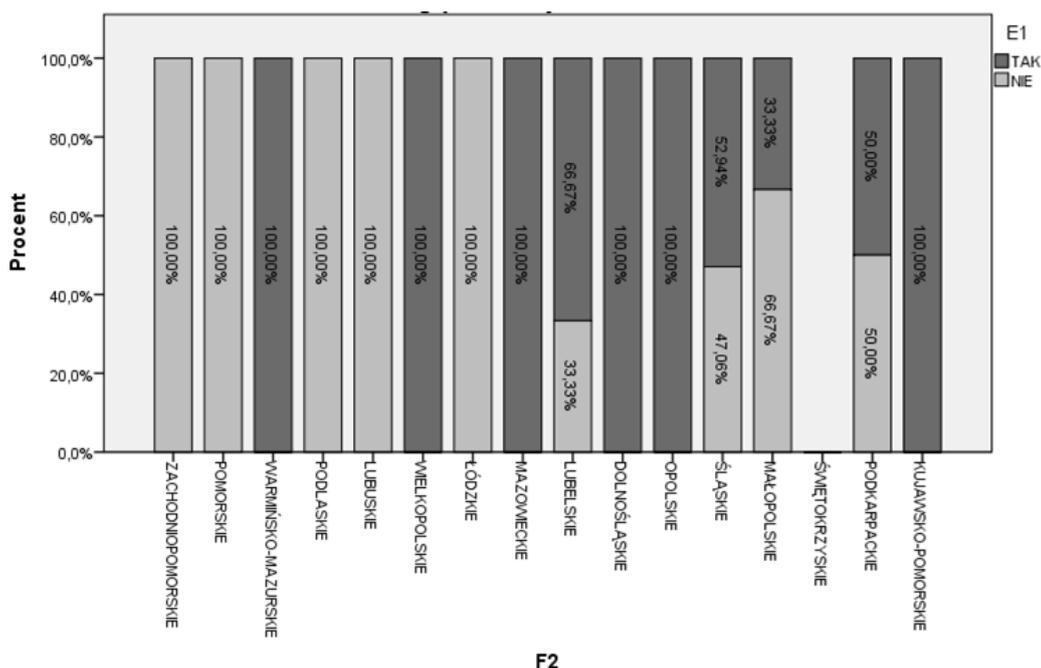
One issue that may be considered as ambiguous is the division of duties between managing and executive bodies, as at the first sight they may interfere. But the intention of the author is to emphasize that the managing body is responsible for the execution of the program as a whole and implements municipal actions, whereas the executive entities are all other organizations or individuals who are not the municipality and who contributed to the program with their own projects.

The execution of the program is a complex process so it requires particular competence and abilities to perform the coordination activities of actions undertaken both by public and private bodies.

In the indications published by the regional governments acting as the Managing Authorities for EU-funded Regional Operational Programs for 15 voivodeships in Poland it was underlined that each Local Revitalization Program, apart from the diagnostic part, had to determine the way of implementation. Due to the fact that most of the programs were rather unrealistic, the assumptions for their implementation were rather provisional. Only a small group of the largest cities decided to establish a less temporary structures. In 57% of the cities it was declared that within the municipal office there had been established a dedicated organizational section responsible for urban renewal. Adequately in 43% of the offices there was no section in duties of which revitalization had been included. The main reason for this given by the respondents was the lack of determination and consequence in execution of the programs that had caused maintaining of such a section as futile. It was observed then that in the situation of lack of external financial support for these processes resulted in resignation of their execution and not establishing structures responsible for them. In case when such a section existed, it was located in the following departments:

- architecture, city and spatial planning,
- strategic planning and city development,
- acquisition of external financing.

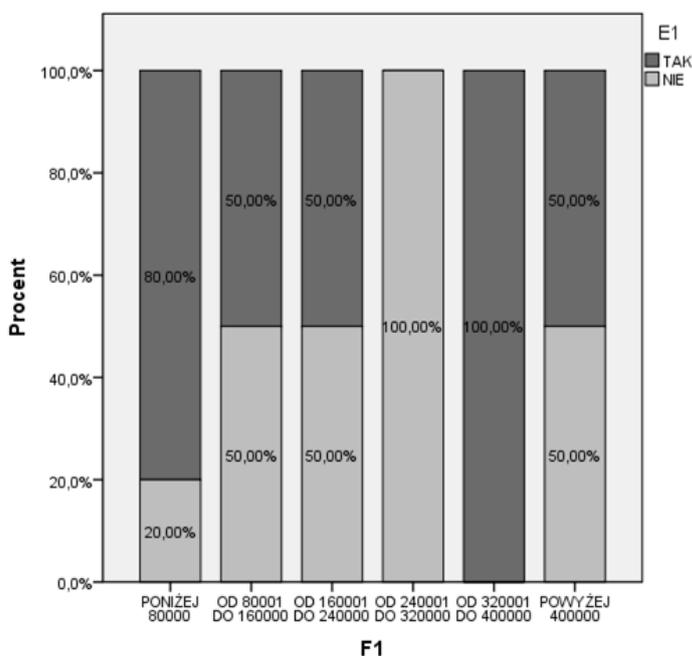
Seldom did it function as a separate section or department. On the graph below (Fig. 8.1) there is presented the distribution of declarations regarding creation of structures responsible for the execution of urban renewal process. Lack of a bar for Świętokrzyskie region results from lack of response from the cities from this part of the country. In case of regions whose representatives indicated lack of dedicated organizational section responsible for revitalization, its duties had been spread on various departments and units. They also indicated lack of communication among them as an issue that had led to difficulties in execution of the program and conducting the process. Basing on the size of the city (number of inhabitants), the following distribution (Fig. 8.2) was achieved. It should be noticed that in the group of cities having more than 240k and less than 320k inhabitants, there were no declarations that such a section had been established. In the majority of the cities it was stated that a half of them had had such a section or unit. In the group of the smallest cities, 80% of them declared establishing of such a unit. It should be emphasized that this statistic comprises only the cities which participated in the research.



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Fig. 8.1 Regional distribution of organizational sections responsible for revitalization

Basing on the data delivered by the representatives of 24 cities an average number of jobs in such a unit or section was determined – 2.96. It is not the number of employees, but the number of work contracts meaning full time jobs. The minimum number of employees responsible for the execution of revitalization processes was 1, the maximum was 7 with standard deviation equal 1.73.



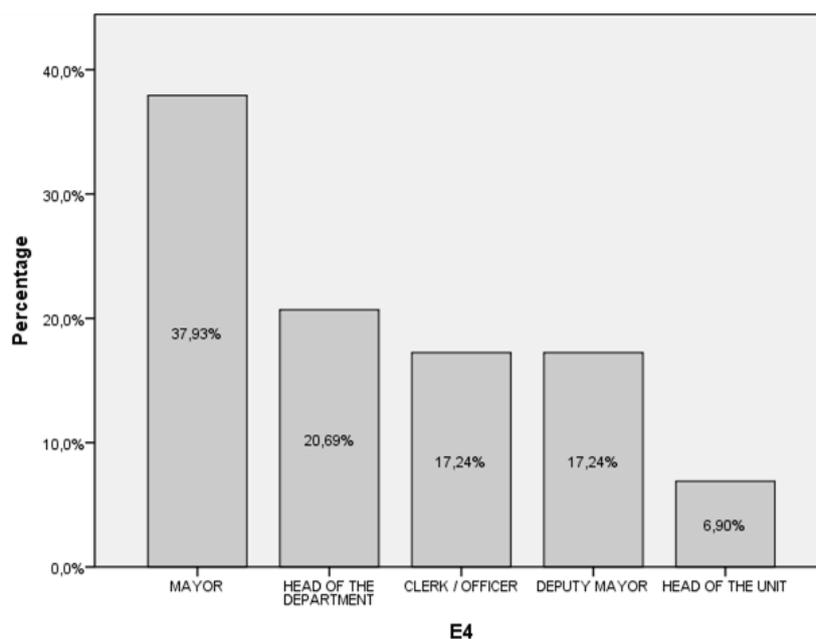
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Fig. 8.2 Organizational section responsible for revitalization based on the size of the city

The representatives of the cities responsible for implementation of the renewal

processes in most cases (93%) also participated in the planning activities. Their level of knowledge and competence in determining the problems and need if the degraded areas was extremely high, which should be considered as a serious advantage.

Assuming that the program is implemented, it is also necessary to indicate a person who is personally responsible for the decision making for the revitalization process as a whole and particular projects. The decision making process means also monitoring, evaluation and initiating the modifications to the program. The distribution of the answers was presented on the graph below (Fig. 8.3).



**Fig. 8.3 Centre of responsibility for execution of revitalization process**

The graph was prepared basing on the answers provided by the representatives of 29 cities. It may be assumed that the ones that did not give answers, had not also determined any centre of responsibility for execution of the processes, which may suggest that they are not implemented at all or only in a limited scope. In almost 38% cases, the responsibility for execution of urban regeneration was laid directly upon the mayor of the city, in every fifth city – the person in charge was the head of the department. Similar results were achieved for the positions of a regular officer and deputy mayor of the city. The least frequent indication was for the position of the head of the section/unit.

### **8.3 THE ROLE AND SCOPE OF ACTIVITIES OF THE OPERATOR OF REVITALISATION – EXECUTIVE UNIT**

Successful execution of urban renewal process, apart from indication the responsible unit or section, requires also precise definition of its scope of activity. The function of the revitalization operator may be located either within the structure of the municipal office or as an external body under supervision of the local government. In extreme case it can be totally independent entity acting on behalf of all the stakeholders the process.

The least sophisticated organizational solution of the renewal operator is its location in the structure of the municipal office with direct reporting to the mayor or his proxy. Due to the complexity of revitalization formalization of the structure is necessary, moreover, it should be appropriate to management standards of the office as a whole. It means that the mayor who is responsible for designing the organizational structure of his whole office and local administration may:

- include the tasks related to revitalization in the activities of existing department (by extending its scope of actions),
- determine a new unit/department responsible exclusively for urban renewal within the structure of his office,
- establish a new local government agenda as an external entity under his absolute supervision,
- extend the scope of activity of an existing external municipal organization.

The crucial issue here is the competence of the unit, regardless of the aforementioned solution used, of being an organizer and animator of cooperation of various types of organizations and stakeholders, instead of being a simple implementing unit of investment projects. Extending the scope of activities of an existing structure causes serious threat, that its prospective actions in revitalization will be polarized. It means that the preferred ones will be similar to its regular activity, where its experience is strong enough to lower the risks to an acceptable level. In such case it is likely that the operator will concentrate on the projects that are close to its normal operations. It is crucial then, that the operator is granted a sound level of independence in taking actions and decisions. Very limited practice in Polish cities proves that attempts to locate the function of the operator as an external entity may lead to better performance of the processes, higher flexibility and better communication with the stakeholders. Advantages and disadvantages of particular solutions were provided in the table (Table 8.1).

Foreign experience proves that setting the operator outside the municipal office leads to better results in planning and execution of the Local Revitalization Program. The sine qua non condition is establishing efficient mechanisms of its reporting to and controlling by the local decision makers, but also partner relations between local government and the operator. The exception to the rule may be the British experience, where on the national level there were established the Urban Development Corporations functioning locally as QUANGOs (quasi-autonomous non-governmental organizations), but rather independently from actual problems of the local communities [5]. Transferring the execution of the regeneration program to another organization will not release local authorities from any responsibility, neither for failure nor for success. This directly interferes with the local political context. Regardless of any solution chosen for implementing the program, partner cooperation of the local government bodies and the operator is absolutely necessary. The rules and conditions of cooperation with the representatives of local authorities and level of autonomy in decision making must be also determined. According to K. Skalski, the executive organization (operator) must be

treated as a buffer between the local community and the government [6]. Although it operates on behalf of the authorities it may be a more trustworthy partner for the local than the officers, particularly when unavoidable, unpopular and politically difficult decisions are concerned. Lack of regulations in Polish law results in the activities of the municipalities taken in any form which makes them difficult to compare. Besides, establishing the executive body as an external organization will surely increase the cost of implementation, as its activities will be the only ones instead of “by the way” actions taken along regular operations of the municipal office. As indicated by K. Skalski, the budget for execution should be calculated as a percentage of the budget of all revitalization projects, which – in case of many Polish cities – will be an enormous amount of money [6].

**Table 8.1 Advantages and disadvantages of establishing the operator as an internal/external entity**

	Operator	
	Internal unit	External entity
<b>Advantages</b>	Higher level of motivation to execute the process Better level of knowledge of local context and specificity Easier and more efficient coordination of activities within the structure of the municipal office	Higher level of independence in action and creating solutions Better possibilities of building an interdisciplinary team of professional consultants and experts Easier cooperation with business and local communities, higher level of trust in social participation
<b>Disadvantages</b>	Prone to lobbying, political pressure and lower autonomy of actions and decisions Shortages of specialists, necessity of ordering external expertise, mainly with the use of public procurement, that makes the process take longer time	Lower motivation for action Risk of copying template solutions Difficulties in establishing permanent cooperation with municipal administration

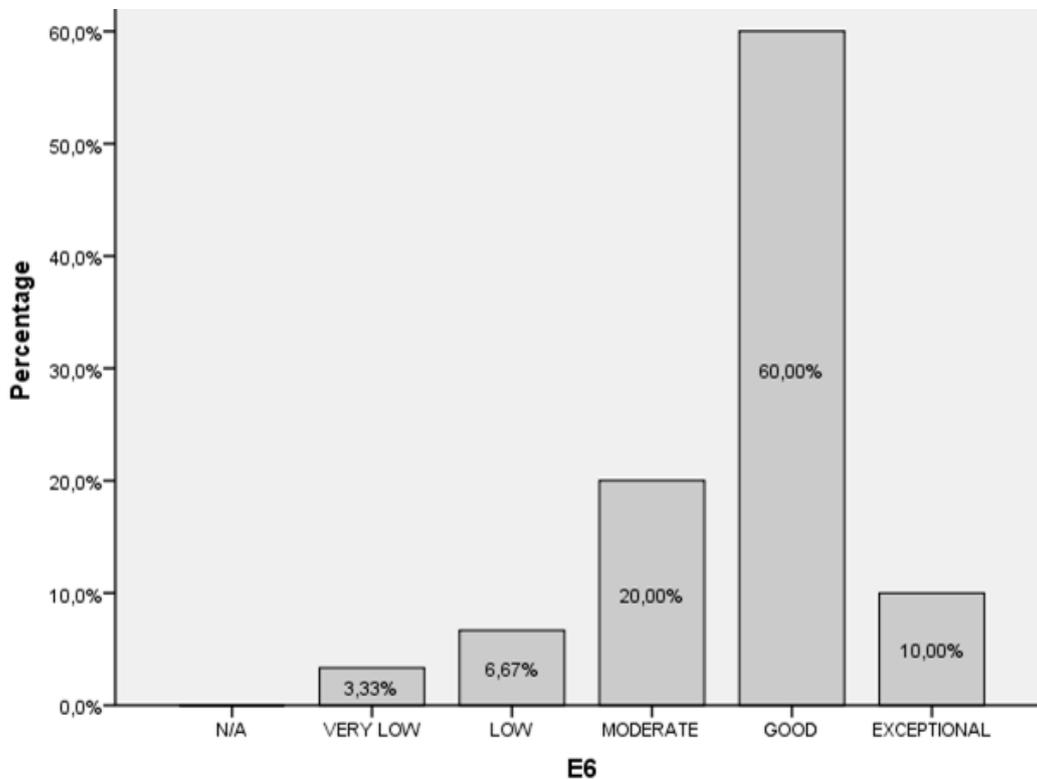
Source: [3]

Seldom do the programs reflect real problems, instead they just group some projects designed by the municipal authorities. The breakthrough solution in this case, proposed by the author of the paper, is proportional co-financing of the executive body by all the stakeholders. In the financial plan of the program this input can be counted as own contribution. Due to the financial issues, the solution for implementing the revitalization program acceptable by the local government and non-reject able by other stakeholders is location of the execution of the program within the structure of the municipal office.

#### 8.4 COOPERATION WITH THE STAKEHOLDERS

Almost 70% of the respondents from the municipalities, where the programs are implemented declared that the representatives of the municipal organizations

participated in the execution process. The quality of the cooperation was assessed at 3.67 in five grade scale, with standard deviation 0.88. The distribution of the answers is shown in the graph (Fig.8.4).



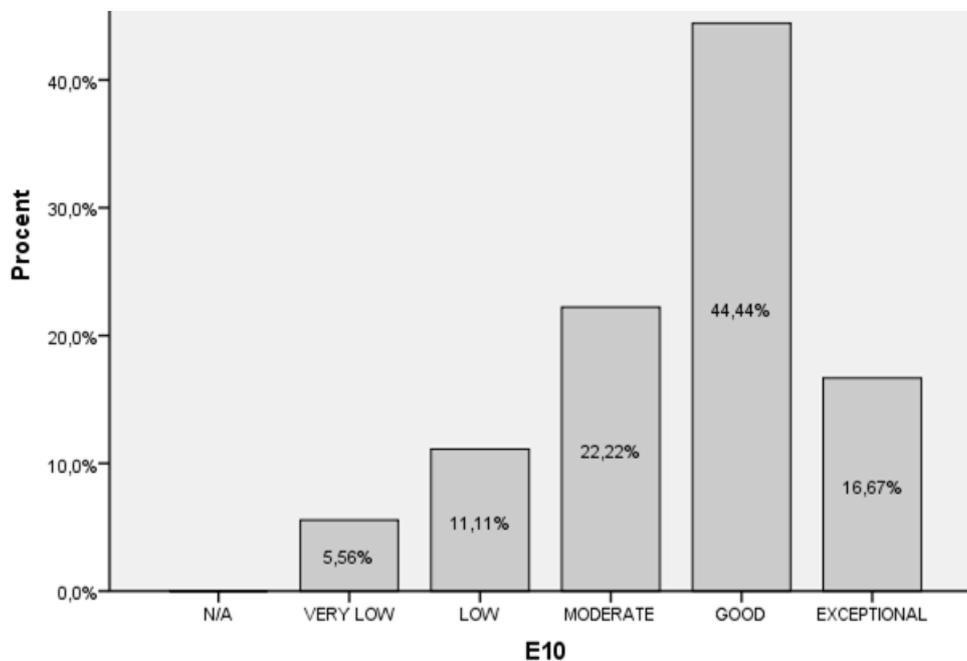
**Fig. 8.4 Distribution of the assessment of quality of cooperation with municipal organizations**

It is quite clear that the cooperation is satisfactory. The respondents did not indicate any particular features or determinants of cooperation, so it was neither good nor bad. They only said that it was good enough to undertake joint efforts for executing projects.

New approaches for public management, i.e. New Public Management (NPM) or public governance, assume higher participation of local communities in the management processes of the municipality [2]. Particular role was foreseen for non-governmental organizations whose share in implementing public tasks should be significantly increased [1]. Public governance on the other hand assumes higher participation of the stakeholders in the decision making and managerial processes. The subject of management in this case is not only the process, but the network of mutual relations between private, public and non-governmental sector. D.F. Kettl indicates that one of the key aspects of NPM is increase of capability of the public sector in shaping and executing socially important programs [4].

As far as the cooperation with the NGOs is concerned, in almost two thirds of the municipalities it virtually did not exist. This indicates that implementation of the latest approaches for public management was unsuccessful which caused a serious threat to the revitalization as its execution is hardly possible without the representatives of the

third sector. Close cooperation was declared only in three regions – Łódzkie, Pomeranian and Western Pomeranian. The quality of cooperation with the NGOs was marked 3.56 with rather high standard deviation of 1.09. The distribution of notes five grade scale is presented on the graph (Fig. 8.5).

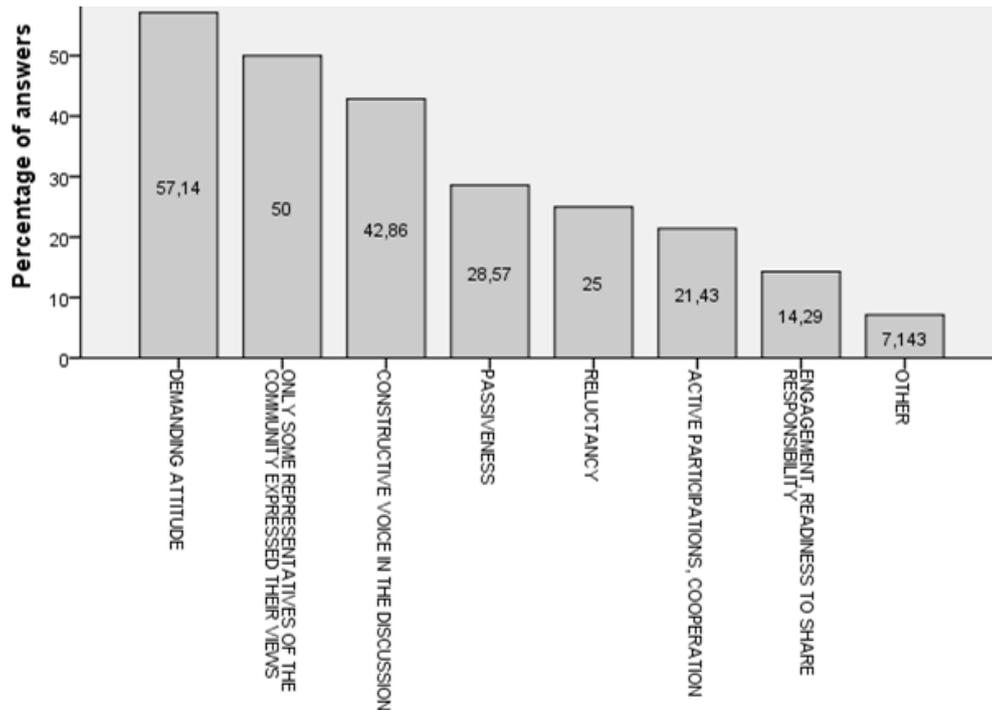


**Fig. 8.5 Distribution of the assessment of quality of cooperation with NGOs**

Comparing the assessment of cooperation of the operator (executive unit) with municipal organizations and NGOs it is noticeable that their averages are close but the spread of notes is higher for the third sector. The respondents, however, were unable to justify their answers.

Increasing direct social participation in execution of the regeneration process is also crucial from the perspective of New Public Management as they are the closest beneficiaries of the projects. It is done mainly by organizing meetings with the locals where pending actions, projects, new challenges and needs are discussed. In more than 65% of the cities such meetings took place at least once over the period of implementation of the program. The distribution of attitudes of the participants of the meetings is presented on the graph (Fig. 8.6).

According to the declarations given by the representatives of the municipalities, the most common was the demanding attitude presented in 57.14% cases. In a half of the cities only some of the representatives presented their opinions, whereas the majority just came to listen. The voice of the public was constructive in 42.86%. Readiness for taking responsibility for actions and engagement in the projects was presented only in every seventh case. Only in 20% of cases it was indicated that the local community took an active part in the meetings and wanted to co-create the regeneration process. In a quarter of the sample the dominating attitudes were: passiveness and reluctance.



**Fig. 8.6 Attitudes of the representatives of the local community presented during the meetings**

## CONCLUSIONS

Effective and efficient execution of Local Revitalization Programs, apart from financial resources, needs also preparation of dedicated organizational structures. The research conducted in the largest cities in Poland leads to the conclusion, that they are prepared in an insufficient level to deal with the challenges of urban regeneration. Many programs have been implemented in a limited scope, partly because of limited financing, partly because of lack of instruments for implementation and monitoring of the plan. The proposals for establishing an operator of the program are well explored in the literature, so the only issue here is selection of one adequate to the needs and preferences of the local authorities. The directions of prospective research of the author will concentrate on instruments of implementation and monitoring as well as on inclusion of assumptions of New Public Management or Public Governance to urban regeneration processes.

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PROGRAMMES IN THE LARGEST CITIES IN POLAND  
- INDICATION OF DIRECTIONS OF FURTHER RESEARCH**

**Abstract:** *The article presents organizational aspects of execution of the Local Revitalization Programs in the largest cities in Poland. Basing on the study of literature there were indicated the directions of further development of organizational structures and identified possible solutions. Directions of further research basing on the paradigms New Public Management and Public Governance, as well as of further developments of managerial methods were also defined.*

**Key words:** *Execution of revitalization processes, stakeholders, New Public Management, governance*

**ORGANIZACYJNE ASPEKTY WDRAŻANIA LOKALNYCH PROGRAMÓW  
REWITALIZACJI NAJWIĘKSZYCH POLSKICH MIAST  
- OKREŚLENIE KIERUNKÓW DALSZYCH BADAŃ**

**Streszczenie:** *W artykule przedstawiono aspekty organizacyjne realizacji lokalnych programów rewitalizacji w największych miastach w Polsce. Bazując na studium literatury zidentyfikowano kierunki dalszego rozwoju struktur organizacyjnych i wskazano możliwe rozwiązania w tym zakresie. Określono również kierunki dalszych badań w oparciu o paradygmaty nowego zarządzania publicznego (New Public Management) i Public Governance, a także działania autora w obszarze dalszego rozwoju metod zarządzania.*

**Słowa kluczowe:** *Wdrażanie procesów rewitalizacji, interesariusze, Nowe Zarządzanie Publiczne*

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