

THE IMPORTANCE OF USING INDICATORS TO MEASURE THE PERFORMANCE OF THE PUBLIC WATER AND SEWERAGE SERVICE

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Abstract:

The article deals with the problem of reforming the public water and sewerage service, in the context of applying the decentralization and deconcentration, as principles of organization and functioning of the public administration.

A priority of public administration is the reform of public services. In order to measure the efficiency of a public service and the extent to which public services fulfill the strategic objectives it is necessary to exist some performance indicators.

The purpose of the analysis made in this article is to investigate the current status of the public water and sewerage service, starting from a first aspect analyzed, namely the share of the population served by the public water supply system, in the developing regions. We consider appropriate the emphasizing of the decentralization status regarding the water and sewerage service existing in Romania, as well as of the potential indicators that could be used to measure this service.

Key words: public administration management, centralization, decentralization, local autonomy, local public administration, local communities

JEL classification: H83

INTRODUCTION

Any public service must meet a series of strategic objectives, such as the adaptability to the customer requirements, the continuity over time of the service, both from qualitative and quantitative point of view, equal accessibility of all the customers to public services, etc. [1]

By 1990, Romania had one of the most centralized forms of administrative organization, the decisions aiming the local communities were the appanage of the central government. [2] After four decades of centralized administration, Romania decided to return to the decentralized organization of local public administration, by transferring the responsibilities and the administrative, financial and material competences from the central level to the local level, a principle reflected otherwise in the Romanian Constitution, revised in 2003. Law no. 215/2001 on local public administration, republished in 2008, refers to the obligation of public administrations to effectively and properly organize their functioning for the provision of public services. For the normal functioning of any community, public administration pursues to satisfy the public interest, the public utility, in a disinterested manner by making public services, such as water supply, heat transport, gas distribution, sewerage, sanitation etc.

In the analysis I've done, I stopped primarily on the decentralized water and sewerage services, because these services have a direct impact upon the degree of development and health of the population.

THE STATE OF THE DECENTRALIZATION OF WATER SUPPLY SERVICES IN ROMANIA

The decentralized water and sewerage services are activities of public utility and of general economic interest, under the authority of local public administration which have the purpose to provide water and sewerage services for all users within the localities [3].

The decentralization of public services must respect the principles of coherence and the unity of implementing public politics for the benefit of all citizens, of coordination and territorial solidarity.

The possible degree of decentralization of public water and sewerage service depends on a series of factors, such as: territorial structure, local collectivity dimension, nature, territorial importance and dimension of the service, the effective capacity of local and regional authorities to assume the appropriate tasks.

Like any public service, public water and sewerage service must meet certain essential requirements: universality, equality of treatment, continuity, safety of persons and service, adaptability and long-term management, transparency and supportability.

Before 1990, there were companies in the districts that provided all the activities considered local household activities, namely: the centralized home heating system, the centralized water supply and sewerage system, the sanitation and the management of residential areas that were not privately owned but in the state property. Owner of goods related to these activities were the county companies that were state companies. The managers of these companies were appointed by political decision makers. Prices had components for operation and maintenance. The investments were made only with funds received from the state.

After a period of centralized management, Romania decided to return to the principle of autonomy through decentralization and transfer of responsibilities to local communities [4]. After 1990, these services have started to operate in a decentralized manner, and the major changes from the Romania society and the tendency of alignment to the organization of Western society left their mark on the management of these major issues. According to the existing legislation, the infrastructure for public water supply service belongs to the public domain whose owner is the local public authority [5].

POSSIBLE INDICATORS FOR MEASURING THE PERFORMANCE OF PUBLIC WATER AND SEWERAGE SERVICE

The decentralization and deconcentration of any public service should consider the creation of a new system of evaluation and monitoring of its quality and performances, a system that should be based on the use of performance indicators. Thus, in order to be able to measure the efficiency of a public service and the extent to which public services meet the strategic objectives it is necessary to have performance indicators that can be defined as the cipher interpretation of a given measure.

The indicators for the regular assessment of public services performance, under the terms of their decentralization or deconcentration, offers some information necessary to formulate appropriate strategies on the services provided. The analysis of these indicators should answer several questions such as:

- What are the priorities of the strategy of decentralization/deconcentration of public services and the efficient modality of allocating available resources?
- What kind of services should be offered on the market and what quantity?
- Are the services provided sufficiently diversified?
- There is the material basis necessary to provide services to the customers' expectation?
- To what extent the provided services meet the customers' expectation? etc.

The possible indicators proposed below have been determined on the basis of several sources,

among the most relevant being: Law 195/2006 on decentralization, published in the Official Gazette no. 453 from 25 May 2006, Government Decision no. 139/2008 on approving the Methodological Norms for applying the Law of decentralization, the Manual for monitoring the decentralization process of public administration in Romania, issued by the Ministry of Interior and Administrative Reform in October 2007, the indicators included in the Framework Law on public utilities services and in the laws specific for each public service (water supply, sewerage, public lighting, local public transport, social services, cultural institutions of local interest, health, education etc.).

We consider relevant the application of the following indicators:

- the existence of a strategy for water and sewerage service performed by the local public authority that manages the service;
- the existence at the institution level of a regulation concerning the organization and operation of water and sewerage service;
- the number of people served by public water and sewerage service;
- the tariff for water and sewerage service;
- the efficiency of public water and sewerage services;
- the existence of staff professional training, which is an indicator that measures the performance of decentralized public services of water and sewerage;
- the number of information events about the decentralization process of water and sewerage service
- the ratio between the own revenues of a financial unit and the revenues received from the state budget for the efficient operation of public services, etc.

Next, we want to consider one of these indicators, namely the population served by public water supply system. We believe that, higher the accessibility of a service is, greater the performance of that service becomes, the number of consumers being influenced inversely proportional to the cost of the service. On the other hand, the provision of this water and sewerage service to the entire population is a principle of organization and functioning of the public service, but also an obligation assumed by Romania at the international level, a public service must ensure egalitarian access for all users.

In 2011, the population served by public water supply system was of 12.089.562 persons, representing 56.5% of the population in Romania (a slight increase compared to the previous years 54.9% in 2009, 55.7% in 2010).

In the table below we present the share of population served by public water supply system, in the developing regions, in 2011.

Table no.1 The share of population served by public water supply system, in the developing regions, in 2011

Regiunea CENTRU	61,7 %
Regiunea NORD VEST	60,1 %
Regiunea VEST	64,9 %
Regiunea SUD-VEST OLTENIA	44,5 %
Regiunea SUD MUNTENIA	52,5 %
Regiunea SUD-EST	60,3 %
Regiunea NORD-EST	39,7 %
Regiunea BUCURESTI - ILFOV	79,3 %

Source: National Institute of Statistics, Press Release No. 228 of 28th September 2012, Water distribution in 2012, p.1-3, accessed on October 10th, 2012

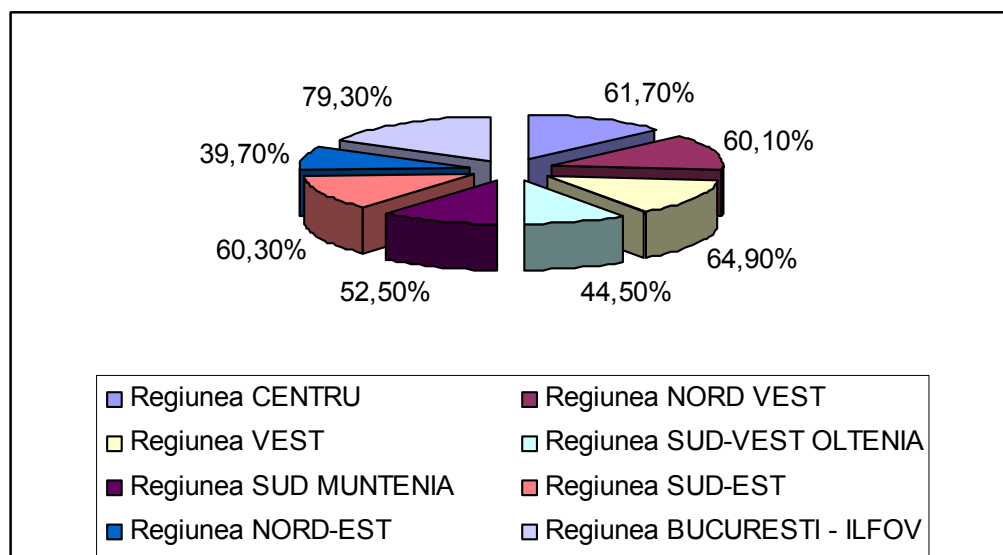


Figure no. 1 Share of population served by public water supply systems in the developing regions in 2012

From the data presented above we remark the fact that at the end of 2011 the share of the population that has drinking water supply networks in the North - Eastern Region, which includes our County, Suceava, occupies the last place with a share of only 39,7% to 56.5% the national average, but also compared to the other regions. The highest percentages of population served by public water supply system are recorded in the region Bucharest - Ilfov, with a percentage of 79.3%, followed by the West region with 64.9%.

In this context, it has to be improved the public access, especially in the North – Eastern Region, to the water infrastructure, by providing water supply, sewerage and wastewater treatment services of the required quality and quantity, in accordance with the European standards. It is necessary to modify, amend and supplement the existing legal framework on water supply and sewerage services, which aims to improve the way of organization and functioning, so that each citizen to have the access to these services in an efficient and non-discriminatory manner

CONCLUSIONS

The measurement of performance in public institutions and services, in order to optimize them, is a step towards public administration reform, which brings with it an extra rigor and transparency to the activity of public service providers [6]. In this sense, if the authorities of public administration manage to provide services with lower costs and generating the highest possible satisfaction index, it will get to meet general interest of the beneficiaries.

Administration authorities should start to develop the strategies, policies and methodological norms at national or local level for all types of public services, whether decentralized or devolved, then to correlate them with each other and, most importantly, to take appropriate measures to their implementation because providing a higher quality of these leads to increased consumer satisfaction and quality of life. It should be always considered what is the most effective way to follow: continuing the decentralization to the lowest structures or, on the contrary, applying a policy of regional development. Both of them, properly applied, strengthen the role and the responsibilities of local government, with the diminishing of the governmental institutions involvement in such matters [7].

ENDNOTES

[1] Munteanu V. A., (2003), *Management public local*, Editura Tipomoldova, Iași, p. 214

- [2] Zaharia P., *From centralization to crisis decentralization in public administration management - an epistemological approach*, *The USV Annals of Economics and Public Administration*, volume 12 , ISSUE 1 (15) /2012, ISSN 2066-575X, p.273
- [3] *Water supply and sewerage service is regulated by Law no. 241/2006, published in Official Gazette no. 563 of 29/06/2006.*
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- [7] Scutariu A.L., *Aspects regarding the interconnection of regional science with regional development*, *The USV Annals of Economics and Public Administration*, volume 12 , ISSUE 1 (15) /2012, ISSN 2066-575X, p.88

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