

PROVIDING HIGH-QUALITY PUBLIC SERVICES IN EUROPE BASED ON THE VALUES OF PROTOCOL 26 TFEU

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KOMPETENZZENTRUM

Öffentliche Wirtschaft, Infrastruktur und
Daseinsvorsorge e. V.

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und Public Management
Prorektor für Entwicklung und Transfer



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Professur Umwelttechnik in der
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Beirat



Sparten

Energie	ÖPNV	Öffentlich-rechtliche Kreditinstitute	Kultur
Wasserversorgung/ Abwasserentsorgung	Abfallwirtschaft	Gesundheit/ Soziales	Wohnungswirtschaft

Aufgaben

EU-Wettbewerb/Regulierung	Daseinsvorsorge	Kommunaler Finanzrahmen	Horizontale Kooperation
Public Private Partnership (PPP)	Kommunale Umweltpolitik	Governance	

Research aspects

- **Institutional changes**
 - Organisation of services
 - Personnel and financial resources
- **Output changes**
 - Performance and savings
 - Operative effects
- **Outcomes**
 - Impact on other policy areas
 - Impact on citizens and employees

Dissemination of evaluation results

Institutional changes

- Institutional differences including changes in service organisation were analytically investigated in most EU member states.
- Different social and cultural traditions were pointed out.
- Reports show that market structures during liberalisation and privatisation process changed, but competition is still mostly limited.
- Reports based on case studies can not doubtfully proof the success of liberalisation and privatisation process.

Dissemination of evaluation results

Competition

- Quality parameters are often given by law and regulation (national and sectorial differences).
- Competition of service mostly focus on prices of services.
- Quality aspects especially in terms of social and economic parameters were mostly not analysed.
- Transaction cost of competition are not very much taken into account.

Dissemination of evaluation results

Quantity and Quality of service

- Useful indicators for most aspects exist.
- Data availability is mostly good, but consistency and comparability of the data especially between different studies is mostly limited.
- User surveys point out a general satisfaction with service quality, but quality aspects especially in terms of social and ecological parameters were mostly not analysed.
- Explanatory approaches linking quantity and quality aspects with price differentials were not focused very much.
- Quality and quantity of service has mostly not been compared very much between different countries.



Dissemination of evaluation results

Price evaluation

- Prices are different from sector and country, but the reports show that liberalisation and privatisation mostly did not lead to decreasing prices.
- Explanatory approaches linking geographical, quantitative and qualitative differences as well as various user requirements with price differentials were not focused very much.
- Transaction costs are not taken into account.

Dissemination of evaluation results

Underestimated aspects

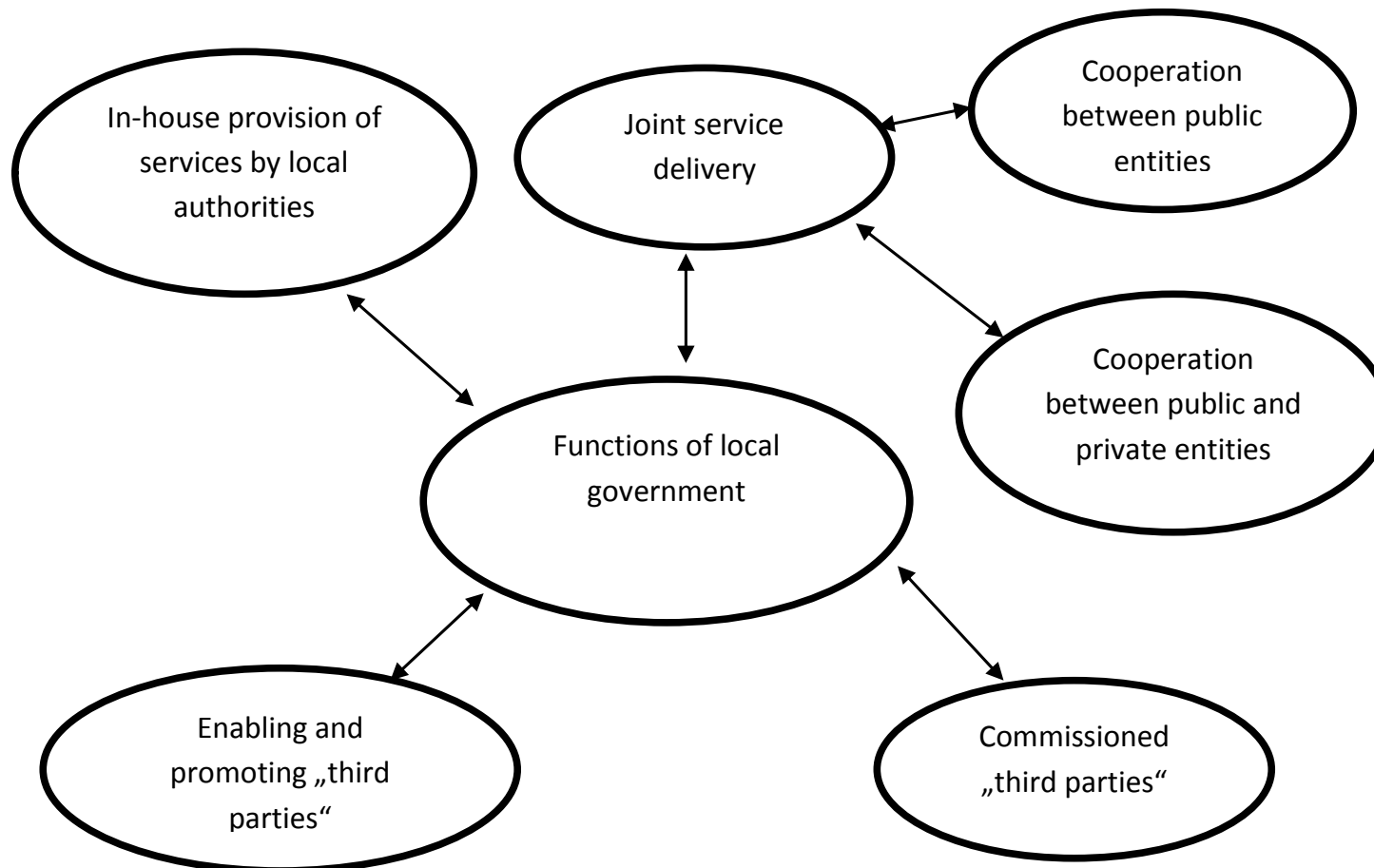
- Institutional changes
 - Best Practice
 - Suggestions for improvement
- Output changes
 - Transaction costs
 - Sustainability (social and environmental quality aspect)
- Outcomes
 - Impact on citizens and employees
 - Impact on other policy areas
 - Impact on cohesion

Principles in protocol 26 on SGEI

- autonomy of authorities
- universality
 - continuity
 - diversity
 - transparency
- access and quality
 - affordability
 - equal treatment
 - universal accessibility
 - protection of user and consumer rights
 - high level of quality and provision
 - safety of service delivery
- needs, preferences and rights of users and consumers

Institutional changes

Differentiation of the Public Sector



Source: Reichard/Röber 2012, based on KGSt, 2010: 9

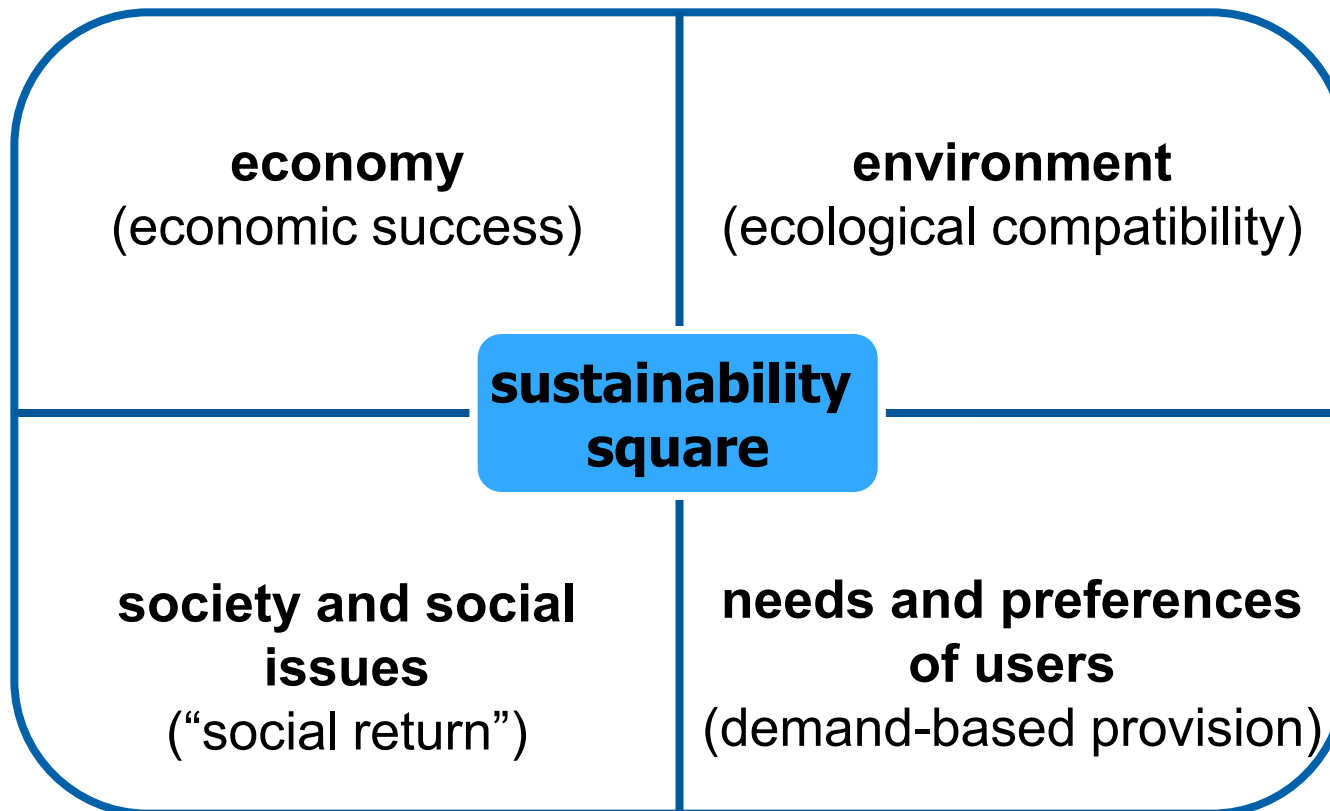
Output changes

Transaction costs

- Tendering and negotiated contracts can lower overall cost and improve service quality.
- Competitive tendering goes along with special cost for:
 - creation of market
 - tender procedure
 - negotiation process
- Analyses lack in identifying indicators of economic transaction cost, of transaction cost for tendering and of sectorial and national differences.

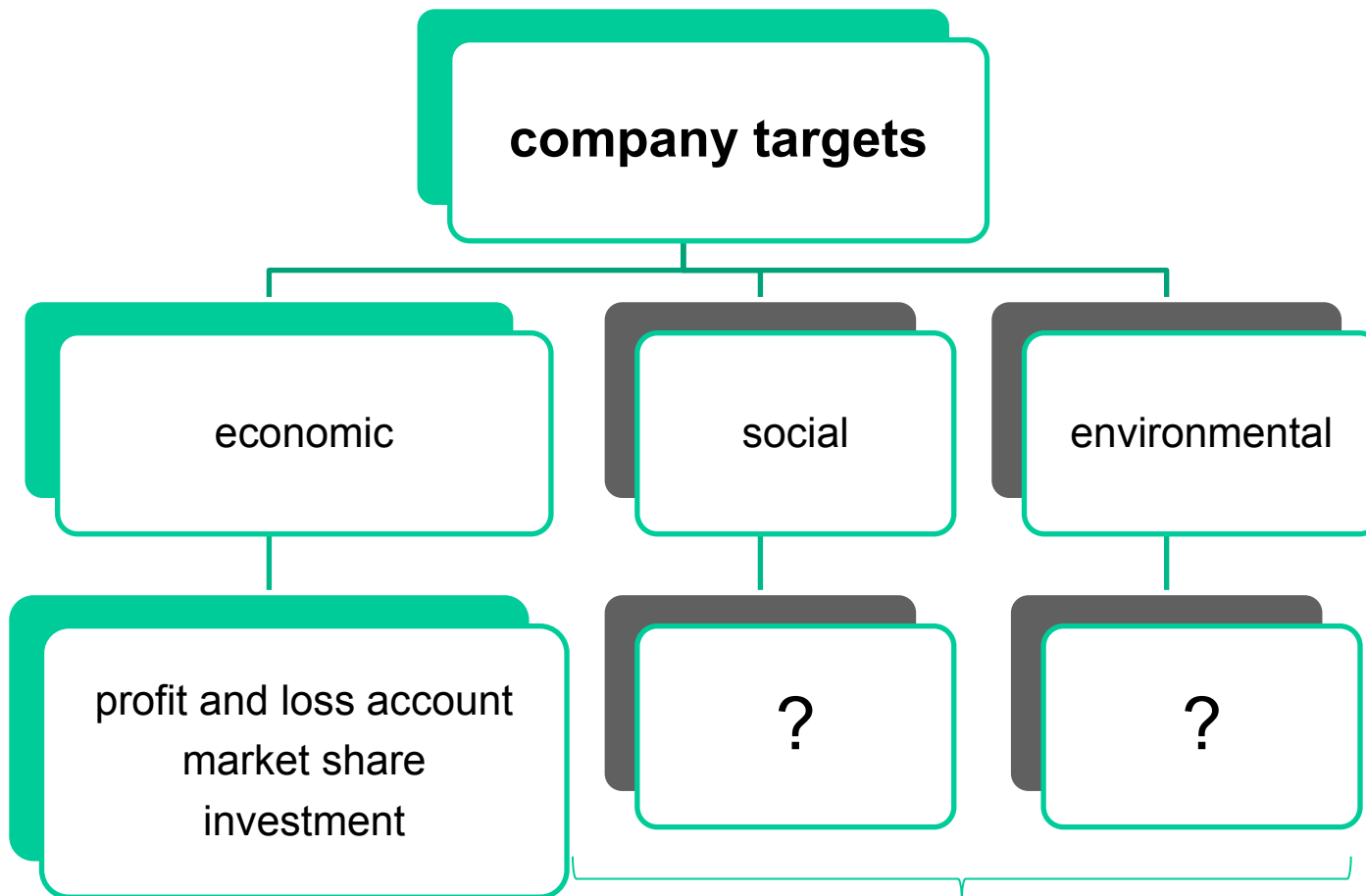
Output changes

Sustainability - four-pillar model



Source: based on Röber 2011: Verwaltungsführung - Voraussetzung für eine nachhaltige Verwaltungspolitik?

Sustainability – “social return“ I



Source: based on Hesse, Rottmann, Lenk 2011:
 Sozialrendite der Kommunalen Wohnungsgesellschaft

**Comparable definitions and
 methods of measuring**

Outcomes

Employment

Reports imply that employment conditions changed during liberalisation and privatisation process:

- Status of personnel changed from civil servant to employee
- Wage reductions
- Workload extension
- Worktime extension
- Benefits cuts
- Fragmentation of labour regulation within companies and status of personnel



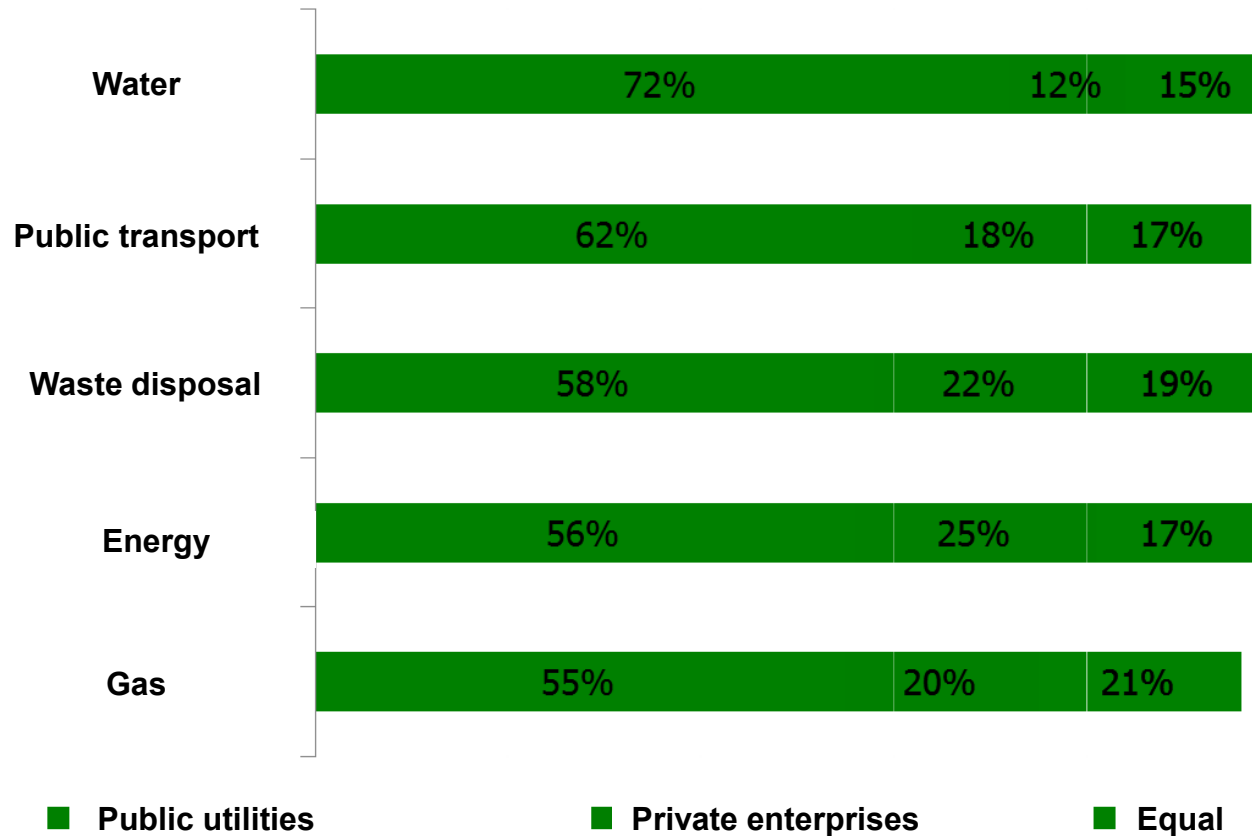
Employment

Research opportunities:

- Accruing social disparities related to liberalisation and privatisation processes have to be focused.
 - Make (strong) trade unions a difference (multi-sectoral / international analysis)
 - Attractiveness of jobs / job motivation
- Changes of employment and its macroeconomic consequences have to be analysed.
 - Spill-over effects on other policy areas
 - Cross-boarder impacts

Outcomes

Citizens/User - preferences



Source: dimap/VKU 2008

Citizens

- Failures and failed privatizations
 - unfiled promises
 - rising prices
 - cuts in public services (quantity and quality)
- Fears of the citizens
 - mistrust against private service delivery in the field of services of general (economic) interest (economization)
 - financial crises and private bankruptcy
 - sale of lucrative public properties and services (rising financial problems)
- Empowerment of the citizens
 - introduction of participation rights
 - post-material value orientation
- Changing understanding in the citizens roll

**Growing public and political
resistance to liberalisation and
privatisation**

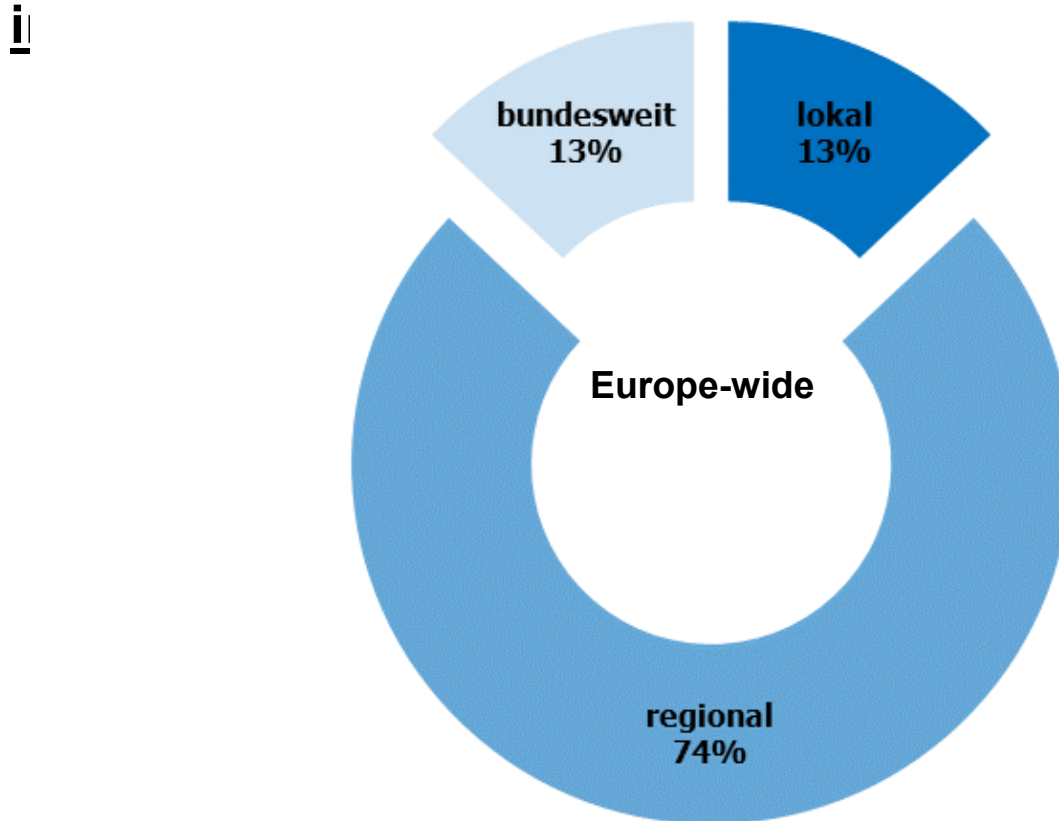
Outcomes

Cohesion

- Reports focus on economic cohesion.
- The impact of liberalisation and privatisation on social and territorial cohesion has not been clarified very much.
- Connection between cohesion and employment has not been focused.

Cohesion

Geographical reach of cooperation of municipal utilities



Source: Lenk/Rottmann 2012: Study on efficient cooperation of municipal utilities



Evaluation vs. Impact Study

?

Responsibility

- Citizens and consumers
- Legislation authorities (EU, national, regional)
- Regulation authorities
- Interest groups (e.g. trade unions)
- Public purchasers
- Company management

Thank you very much for your attention.

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