

## Finance Management in Local Government Shared Services Centres in Poland – Primary Experiences

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**Robert Gawłowski\***, **Paweł Modrzyński\*\***

Based on an amendment of the act on gmina local government and certain other acts of October 2015, legal solutions were introduced to enable the establishment of shared services centres in the local government administration structure. Their task is to increase the flexibility and efficiency of the management of local government units. The aim of the paper is to find out about the first experiences of capital cities of voivodeships, and to indicate the most commonly functioning organisational models. The studies were based on the analysis of resolutions establishing shared services centres and the analysis of city budgets.

**Keywords:** shared services centres, public management, effectiveness of administrative services.

## Zarządzanie finansami w samorządowych centrach usług wspólnych w Polsce – pierwsze doświadczenia

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Na podstawie nowelizacji ustawy o samorządzie gminnym i niektórych innych ustaw z października 2015 roku wprowadzone zostały rozwiązania prawne umożliwiające powołanie w strukturze administracji samorządowej – centrów usług wspólnych. Ich zadaniem jest zwiększenie elastyczności i sprawności zarządzania jednostkami samorządowymi. Celem artykułu jest sprawdzenie pierwszych doświadczeń miast wojewódzkich oraz wskazanie najczęściej funkcjonujących modeli organizacyjnych. Podstawą badań była analiza uchwał powołujących centra usług wspólnych, a także budżetów miast.

**Słowa kluczowe:** centra usług wspólnych, zarządzanie publiczne, finanse publiczne, efektywność obsługi administracyjnej.

**JEL:** H, H1, F36, F6, G38, R1

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\* **Robert Gawłowski** – PhD, WSB University in Toruń, Faculty of Finances and Management in Bydgoszcz.

\*\* **Paweł Modrzyński** – PhD, UTP University of Science and Technology, Faculty of Management.

Correspondence address: WSB University in Toruń, Młodzieżowa Street 31a (room 007), 87-100 Toruń;  
UTP University of Science and Technology, Al. prof. S. Kaliskiego 7, 85-796 Bydgoszcz.



## 1. Introduction

Recent decades saw thorough changes in the way the public sector is organised and fulfils its tasks. The model of traditional public management (also called Weberism) that had dominated for decades was reformed in the spirit of new public management, with the fundamental aim of increasing the effectiveness of public sector operation through transferring management tools and techniques from the private sector to public institutions. The new public management reforms were based on such principles as: promotion of competitiveness in the sphere of provision of services; empowerment by transferring control functions from the bureaucratic sphere to residents (community); measurement of activities and concentration on effects and financial results rather than on expenditures (for more see: Zawicki, 2011, p. 34). As noticed by D. Sześciło, uncritical view of the market, deregulation, privatisation and other similar slogans of new public management have not become an antidote for imperfections of the state, revealing their own flaws. The proverbial “nail in the coffin” of new public management as a universal concept of the functioning of a state was the global economic crisis in recent years, the sources of which are considered to be the pathologies of the market left without an effective, intelligent regulation from the state (Sześciło, 2015). Nowadays, despite a lack of supporters of this approach to public management, such concepts as the quality of provided services, flexibility of management, evaluation of performed tasks, shift of the interest from the compliance with legal procedures to effects of activity seem to have a permanent place in the debate on how the public sector should be organised. In each of the currently proposed new paradigms of public management, i.e. *new public governance* (Hausner, Jessop, & Mazur, 2016) or Neo-Weberian State (Mazur, 2016), the above-mentioned threads of effectiveness are still indicated as an important element of the organisation of the public sector.

## 2. Theoretical Background of Shared Services Centres (SSCs)

One of the tools which emerged in connection with the new public management revolution is a shared services centre (SSC). The first SSCs were established in Great Britain, which became one of the leaders in the implementation of such solutions across Europe and worldwide. Great Britain is an example of a country which successfully implemented modern tools for improvement of management effectiveness from the business sector to the public one<sup>1</sup>. Evaluation of the functioning of British SSCs conducted by local government organisations shows that local government units that implemented such solutions significantly reduced administrative costs of their functioning, took advantage of the potential created as a result of the economies of scale, improved the quality of provided public services,

decreased the risk of management errors and used the human resources possessed in an organisation in a better way. Nevertheless, in each case this process required overcoming barriers resulting from the previous directors' unwillingness to combine administrative units, their concern about the loss of influence on the units they managed, problems with unification of the operation of administrative units and also with employees' fear connected with the threat of employment reduction. British experiences showed that the model of the functioning of SSCs was always a result of such factors as the size of a local government unit, financial situation and determination of political authorities<sup>2</sup>. The factors motivating local government authorities to establish SSCs were mainly potential savings in administrative expenditures, less often – the quality of provided public services. As noticed by M. Holzer and J. Fry, “the economies of scale is the main factor prompting entities worldwide to introduce shared services regardless of the country or self-government level. However, there is agreement among researchers studying this phenomenon that apart from potential savings, it is necessary to focus on the possibility of improving public services provided to consumers (...), when implementing an SSC we should also notice a possibility of a complete transformation of how public services are organised through the introduction of new management tools” (Holzer & Fry, 2011, pp. 50–51).

The success of the solutions adopted in SSCs led to the second wave of development of this way of organising administrative units. Enhancement of *back office* activities (mainly finances, legal services, public procurement, ICT, HR) inspired public sector managers to use this tool to manage public services. An example of such an action is agreement between three boroughs (Kensington, Chelsea-Hammersmith and Fulham<sup>3</sup>) on scaling shared services centres and thereby achieving even greater economies of scale. As noticed by T. Symons, O. Roth and J. Sturge, SSCs certainly are not a remedy for all problems of local government units connected with financial limitations and citizens' growing expectations concerning the quality of provided public services, however this solution provides a lot of opportunities of a better and more effective organisation of local administration (Symons, Roth, & Sturge, 2011, p. 9). Another argument in favour of “the next generation of SSC” is new possibilities of providing public services connected with new technological tools. The presented conclusions are also confirmed by studies conducted in 2015 by the company Deloitte, which found that the key factors determining the establishment of shared services centres included: reduction of costs (34%), possibility of development through cumulation of resources (23%), consolidation with the existing centres (17%), improvement of the quality of provided services (11%), reduction of risk (6%) (Deloitte Consulting LLP, 2015).

It is also worth citing statistics which indicate that in terms of geographical distribution, the most shared services centres are currently created in the United States, Brazil, Western European countries (with Great Britain in the

lead), India, and recently also in Central European countries – especially in Poland, where the market of shared services centres is the most dynamically developing part of the business services market (Dobosiewicz, 2015).

The above-presented experiences of private and public sectors of EU countries (in particular British solutions) in the establishment of local government shared services centres were implemented in Poland last year as a result of an amendment to the act on gmina local government, among other things (Act of 25 June 2015..., 2015). The basis for the changes passed was the report prepared by the Ministry of Administration and Digitalisation entitled *Evaluation of the situation of local governments*. It pointed out the fact that Polish local governments are burdened with costly legal solutions that in no way facilitate the accomplishment of their mission. These regulations were not so much about the standard of services provided to residents as about showing how local authorities should provide them. These are solutions that limit the sphere of organisational and managerial decisions of local authorities (MAC, 2016, p. 37). The above-indicated barriers to management of local government units resulted from the act on public finances in force that gives a budget entity the right to resources from the budget regardless of the income generated. A budget entity has to have an approved financial plan in place, an adopted by-law, property handed over for management, and its financial matters have to be handled by a chief accountant. Every local government budget entity lays down its own accounting policy, has its own reporting obligations resulting from regulations (fulfilled independently from the obligations of the “whole” entity), an archive and a social benefits fund. The above-indicated problem was pointed out in a government bill amending the act on gmina local government and certain other acts<sup>4</sup>. As noticed by the author of the bill in the statement of reasons concerning the bill, local government authorities need more flexibility in work organisation so that they can adapt solutions to local needs and possibilities. To ensure that, the bill provided for increased independence and flexibility of organisational structures. The above-stated objectives were achieved by addition of art. 10a and subsequent in the act on gmina local authorities, art. 6a and subsequent in the act on powiat local authorities, art. 8c and subsequent in the act on województwo local authorities and by a relevant amendment to the act on public finances<sup>5</sup>. The above-indicated amendment to the act allowed gminas to perform their tasks as part of a shared service. The legislator left an open catalogue of tasks to be performed as part of provision of a shared service, indicating only its basic scope that included administrative, financial and organisational tasks. As far as the scope *ratione personae* is concerned, the legislator specified a catalogue of entities that can be covered by a shared service. The catalogue includes: (1) gminas’ organisational units, (2) gminas’ cultural institutions and (3) other gmina legal persons falling under the sector of public finances established based on separate laws for the purpose of performing public tasks. The entities

excluded from this group are enterprises, research institutes, banks and commercial companies created by local authorities.

### 3. Methodology

As these new legal regulations have already existed for a dozen or so months, it is possible to present their first effects and indicate local governments' interest in the new legal solutions designed to support the management of gminas and their entities. The authors concentrated on presenting experiences in the establishment and implementation of shared services centres in the largest local governments – seats of voivodeship authorities.

The aim of this paper is to present experiences of local governments in the establishment of shared services centres. In the research hypothesis, the authors verify the main determinants in the establishment of shared services centres and specification of the scope of provided shared services. The aim will be addressed through answers to the following questions: (1) what organisational models of SSCs are functioning in gminas? (2) what is the scope of the activities of SSCs? (3) what scope of services became shared as part of SSCs?

### 4. Shared Services Centre in Poland – Study Results

Out of 18 analysed gminas with seats of voivodeship and local government authorities<sup>6</sup>, 8 gminas established entities whose statutory activities include provision of shared services to handled entities within the meaning of the above-cited act on gmina local government. Local government shared services centres as gminas' organisational units were established by way of resolutions of Gmina Council in the following gminas: (1) Bydgoszcz<sup>7</sup>, (2) Gdańsk<sup>8</sup>, (3) Katowice<sup>9</sup>, (4) Łódź<sup>10</sup>, (5) Opole<sup>11</sup>, (6) Toruń<sup>12</sup>, (7) Wrocław<sup>13</sup> and in (8) Zielona Góra<sup>14</sup>, which accounts for over 44% of all the gminas covered by the analysis. Some of the local governments relied on their own experience and established entities providing a shared service by transforming other entities that had earlier supported selected entities of the gmina, e.g. in Gdańsk the Centre for Supporting Education Entities (Centrum Obsługi Jednostek Oświatowych) was combined with the Group of Administration and Economic Schools (Zespół Administracyjno-Ekonomiczny Szkół). Out of 8 above-mentioned entities providing a shared service, 3 used the existing entities, whereas 5 established centres as new entities. It seems reasonable to analyse the scope of provided shared services – the substantive criterion – and the selection of entities covered by a shared service – the criterion *ratione personae*. In all gminas, except for the gmina of the City of Łódź, which decided to establish local government shared services centres, only education entities were covered by a shared service. This choice of entities to be covered by a shared service

is not a random one. First, these entities are homogeneous in terms of the scope of executed statutory tasks, which undoubtedly made it easier to design accounting, payroll and reporting processes falling under the scope of a shared service. Second, education entities used a homogeneous IT system for executing their statutory tasks, which certainly made it easier to implement the provision of a shared service. Third, education entities constitute the most numerous group of gmina budget entities with a budget of over 25% of the overall amount of the gmina's budget (see Figures 1–2). An exception is the already mentioned gmina of the City of Łódź, which implemented a shared service for two divisions of the Municipal Office – Roads and Transport Management Office and Municipal Investment Management Office. In the case of Opole and Zielona Góra gminas, selected education entities were designated to be covered by a shared service. In Opole, only nursery schools were selected, whereas Zielona Góra used the principle of voluntary participation in a shared service, and in the first stage 5 education groups comprising nursery schools, middle schools and primary schools signed up. The homogeneous character of the entities covered by a shared service and homogeneous IT systems supporting the handling of their financial and accounting matters were the main factors taken into consideration when establishing shared services centres.

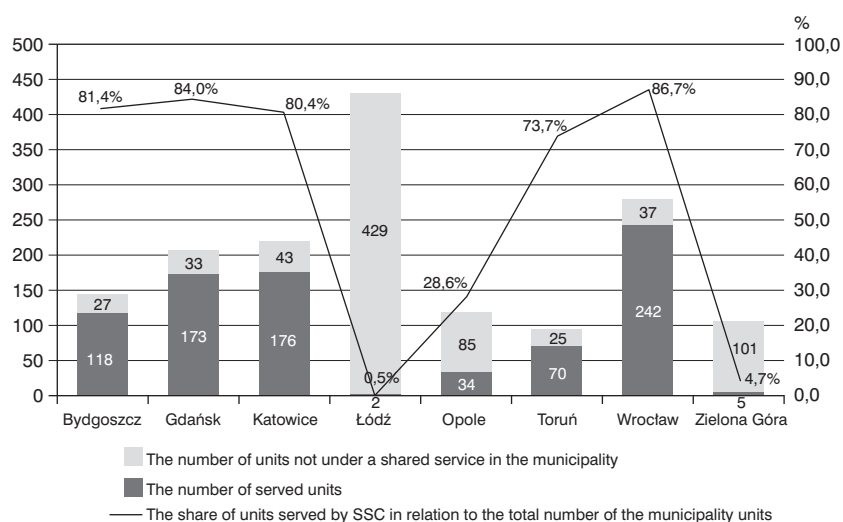


Fig. 1. Number of entities handled by selected local government shared services centres in Poland in 2017. Source: Own work based on entities' by-laws.

It is worth analysing in more detail the IT factor determining and deciding about the selection of gminas' budget entities to be covered by a shared service. In the private sector, enterprises belonging to one holding company

keep accounting records based on a homogeneous IT system. This solution is on the one hand a necessary condition for developing consolidated financial reports, while on the other hand it enables the use of unified management effectiveness indicators. An IT and financial system provides necessary information that enables the owner to make strategic or operational decisions with regard to individual entities and the whole holding company. In such companies, effectiveness and efficiency of the functioning of shared services centres is most important (for more see: Ian & Lin, 2013). In the public sector, handling of financial and IT matters is much more diversified. First of all, each budget entity of a gmina has autonomy and independently creates an accounting policy, circulation and control of accounting documents, charts of accounts, etc. Thus, before these entities are included in the system of a shared service, the above-listed documents need to be unified for each handled entity. Another problem is the fact that individual budget entities of a gmina often use different IT systems designed to support bookkeeping in such entities. Each gmina that decided to establish a shared services centre had to select such entities that would allow it, on the one hand, to efficiently unify accounting policies (the basic task executed as part of a shared service) and, on the other hand, to consolidate databases containing entities' accounting and payroll data. Another important element in the establishment of SSCs in local governments is the flow of documents between handled entities and the handling entity in compliance with the requirements of personal data protection (Act of 29 August 1997..., 1997). Handling accounting and payroll matters requires a two-way flow of documents in the paper form between entities, which is both labour and time consuming (the process of formal and accounting control, factual control, approval of documents for execution by the head of an entity). We should bear in mind that the coverage of an entity by a shared service can by no means limit decision making of its head. This problem can be solved by using tools for electronic transmission of documents, which allow heads of entities to approve documents by a qualified signature. Thus, also in this case, the key to the establishment and functioning of shared services centres in a gmina is an advanced IT system meeting the document circulation criteria that is implemented in entities. The bigger the scale of operation of SSCs (bigger number of handled entities), the bigger the role played by IT systems. Meanwhile, in terms of management control and management of finances of a local government, such organisation of provided shared services allows gminas to introduce uniform control procedures and to establish similar principles of a provided shared service for a significant group of entities with over 1/4 of the gmina's budget. The relationship between handled entities and the handling entity is based on a Service Level Agreement (SLA), and the first step in its development is defining a catalogue of provided services. Such solutions, though commonly used in business, are new in the area of the public sec-



tor's experiences, where hierarchical, vertical, management structures and subordination prevail. The horizontal relationship in cooperation between two entities as defined by SLAs presents a significant organisational challenge for local governments. The above-presented technical and organisational considerations determined the decision to include the homogeneous group of education entities in gminas in the first place among the entities covered by a shared service – criterion personae.

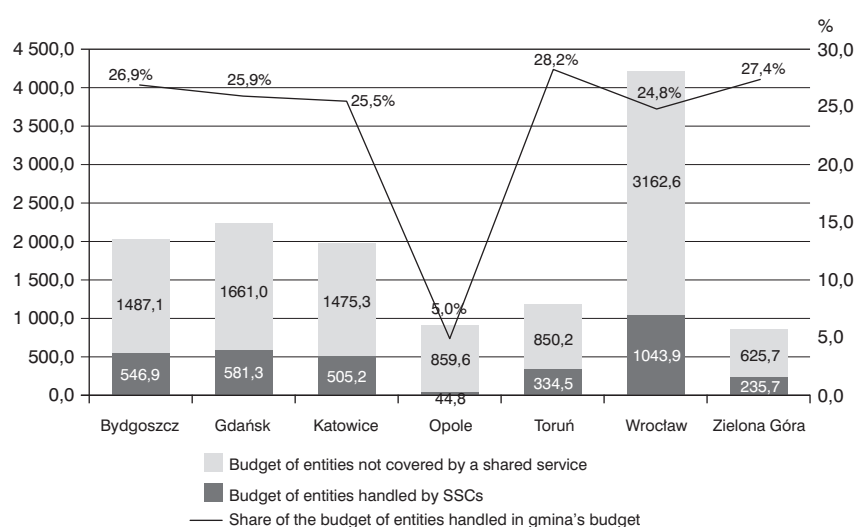


Fig. 2. Budget of entities handled by selected local government shared services centres in Poland in 2017. Source: Own work based on gminas' budget plans for 2017.

In the case of the scope of services covered by a shared service in individual local governments, there is no such homogeneity as in the case of the criterion personae. The provisions of the act very broadly define the possibilities of planning the scope of services provided by local government shared services centres. The basic shared tasks in the above-mentioned entities that are executed for handled entities are accounting and payroll and reporting tasks. The scope of tasks covered by shared services is broad and includes: expert services, financial analyses, HR service, IT, supervision of repair and investment works, public procurement, legal services and even provision of services of a telecommunications operator. Planning the scope of a shared service was based on previous experiences of local governments. In the case of shared services centres that were created by transforming or joining the existing entities, the currently executed tasks were included in the catalogue of a shared service. This was the case of the SSC in Wrocław, which also provides IT and operating services<sup>15</sup>. Apart



from the above-listed accounting, payroll and reporting services, which are common to all the entities analysed, a very important task executed as part of a provided shared service is centralisation of VAT tax return submission (see Table 1) All of the SSCs analysed, except for Łódź, centralise the value added tax return for handled entities.

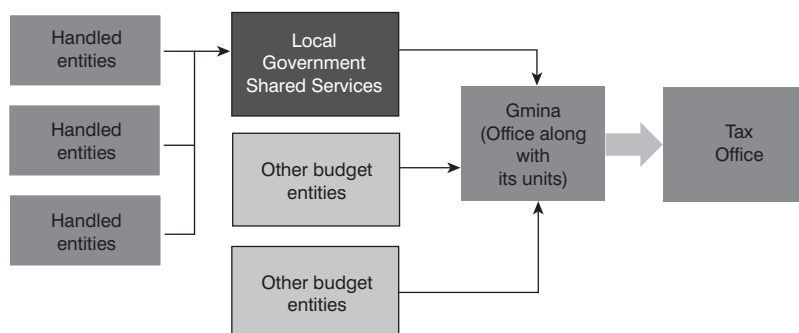
Scope of a shared service	Bydgoszcz	Gdańsk	Katowice	Łódź	Opole	Toruń	Wrocław	Zielona Góra
financial and accounting services								
Company Fund of Social Benefits								
Social allowance and loan plan for employees								
payroll services								
HR services								
IT services								
legal services								
reporting services								
analyses and expert's reports								
VAT tax								
operating services								
administrative services								
public procurement								
Health and safety at work and Fire Protection								
investments and repairs								

Tab. 1. Scope of tasks executed as part of a shared service in selected local government shared services centres in Poland in 2017. Source: Own work based on entities' by-laws.

The issue of centralisation of VAT tax payment in local governments is the key factor that impacted the decision to create entities providing a shared service, but also the scope of the shared service. On 13 September 2016, an Act of 5 September 2016 was published on special principles of accounting for Value Added Tax and on repayment by regional or local government units of public funding allocated for implementation of proj-

ects financed partly from resources from the European Union budget or from member states of the European Free Trade Agreement<sup>16</sup>. The act in question was a follow up to the judgement of the Court of Justice of the European Union (CJEU) in Case C-276/14 Wrocław gmina against the Ministry of Finances, according to which art. 9 paragraph 1 of the directive 2006/112/EC of the Council of 28 November 2006 on the common system of value added tax should be interpreted to the effect that entities governed by public law, such as gminas' budget units at issue in the main proceedings, cannot be deemed to be VAT taxpayers, as they do not fulfil the criterion of autonomy defined in this provision<sup>17</sup>. The above-mentioned article 9 of the directive 2006/112/EC defines a "taxpayer" as any person that independently carries out any business activity in any place regardless of the objective or results of this activity. As pointed out by att. Bojkowski: "The Court of Justice of the European Union (CJEU) stated that article 9 paragraph 1 of the directive of the Council 2006/112/EC of 28 November 2006 on the common system of value added tax should be interpreted to the effect that entities governed by public law, such as gminas' budget units at issue in the main proceedings, cannot be deemed to be VAT taxpayers, as they do not fulfil the criterion of autonomy defined in this provision". The above-cited judgement of the CJEU obliged gminas to file an aggregate tax return from all of their entities. An effect of the above-mentioned directive was, among other things, inclusion of additional duties into resolutions establishing local government shared services centres. The catalogue of an SSC's tasks was supplemented, among other things, by centralisation of a value added tax for handled entities, which is submitted collectively to the gmina, which prepares a collective tax return, including other entities not covered by the shared service, and then submits it to the tax office (see Variant I, Figure 3). Inclusion of centralisation of VAT tax payment for a group of education budget units in a shared service was a natural consequence of the CJEU's judgement. Such a solution is functioning in almost all the entities analysed. An interesting example is here the Shared Services Centre in Toruń, which provides the service of centralisation of VAT tax for all entities, including the gmina itself. The SSC in Toruń provides accounting, payroll and reporting services to all education entities operating in the gmina, whereas as part of the service of centralisation of VAT tax and settlements with the tax authority it provides a shared service to the gmina's all entities, including the gmina itself. Both tax returns and payments of due VAT tax are transferred through bank accounts of the SSC in Toruń. This is an exceptional solution where the scope personae of the provided service is not homogeneous and results from the character of a shared service (see Variant II, Figure 3).

Variant I



Variant II

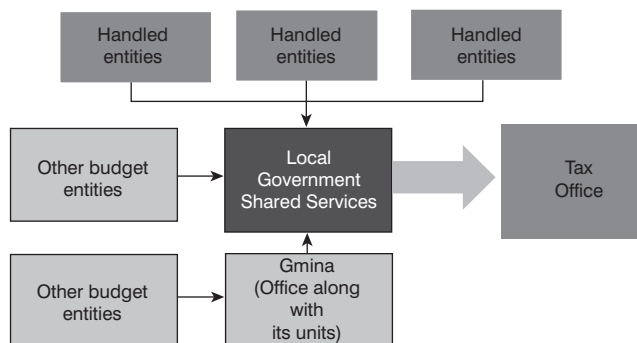


Fig. 3. Variants of centralisation of VAT tax return submission in gminas where shared services centres were established. Source: Own work based on entities' by-laws.

Gminas that have not established SSCs within their structures have to consolidate tax returns from their entities and create a standard audit file for tax (Polish version: JPK) on their own, which is then transmitted along with the financial clearance to tax authorities. The functioning of SSCs has undoubtedly made this process easier and had a positive impact on possibilities of controlling it. SSCs collect partial tax returns from handled entities (those that as part of a shared service offer centralisation of VAT tax return submission for handled entities) and depending on the variants presented herein (Figure 3) submit consolidated tax return to the gmina or the tax authority. The advantages of this solution include: (1) standardisation of tasks across the whole structure, uniformity of activities, (2) supervision, technical support and administration (programme VATKOM) for all enti-

ties, (3) analysis of submitted records – JPK, (4) effective management of human resources, (5) submission of requests to the National Tax Information for individual interpretation, and communication of tax authorities' position to centralised entities. The lack of an SSC or non-inclusion of tax return submission into a shared service scope makes it necessary to create a separate structure or to assign these tasks in a gmina to a different entity, or rely on a distributed structure – in organisational units. In terms of management of finances, such a solution makes it more difficult or even impossible to apply uniform interpretations, or have an efficient system of information control and flow in tax-related issues, which are of key importance for a gmina and its finances.

One of important ideas behind the establishment of shared services centres in business was more effective use of human resources, highly-qualified staff through, among other things, optimisation of employment, training policy, development of competences and improvement of qualifications. Local governments that established shared services centres relied mainly on the provisions of art. 23<sup>1</sup> of the Labour Code (Act of 26 June 1974..., 1974) when transferring employees, with the entity receiving employees taking over all the rights and obligations of the previous employer<sup>18</sup>. The transferred employees retain, among other things, the right to remuneration at the same level as with the previous employer. Undoubtedly, by gathering all employees specialising in certain tasks, local governments will be able to more effectively improve qualifications and competences of the staff, whereas (considering established legal measures) the effect of employment level optimisation in shared services centres will be extended in time.

## 5. Discussion

Increasing the effectiveness of management of and supervision over handled entities as well as centralisation of VAT tax return submission in gminas were the basic factors determining the establishment of shared services centres in local governments. Management effectiveness is understood in this context as enabling heads of handled entities to focus on entities' statutory activities while ensuring centralisation and standardisation of supporting processes, e.g. bookkeeping, payroll, reporting, legal services, IT or support for HR processes. It should be stressed that provision of shared services cannot in any way limit the decision making autonomy of the heads of handled entities. Local governments' high interest in the issues of the functioning and establishment of shared services centres confirms that local authorities are looking for effective tools to support management of gminas and their entities, and are making attempts to achieve economic effects. It will take time before all of the above-mentioned effects of specialisation are visible, however it is indispensable for ensuring efficient

management of public finances. It should be stressed that in the case of the public sector, especially local governments, numerous aspects have to be and are taken into consideration when establishing an SSC. Autonomy of handled entities, their statutory activities, accounting policy, IT systems or employee-related matters are the main but not all of the determinants of the process of creating an SSC. All these elements will indirectly and directly affect the managerial and economic effectiveness of an SSC. The relatively short period of functioning of an SSC in gminas has already shown a range of positive effects of their activities: more efficient management of public finances, an increased level of control and security, staff specialisation, unification and verification of procedures. In the longer term, i.e. 2–3 years, significant economic benefits should also be visible, e.g. those resulting from the economies of scale – employment optimisation accompanied by increasing work effectiveness and specialisation or development of procedures connected with public procurement and central purchases allowing for obtaining lower prices. Of importance in terms of the functioning of SSC-related solutions are also all-Poland self-government organisations, which can popularise adopted organisational models among their members and promote the ways of implementing the organisationally difficult change, which is the establishment of shared services centres.

At the end of the discussion presented in the paper, it is worth citing results of a report by Jones Lang Lasalle (2013), according to which the outsourcing and offshoring labour market in Poland accounts for 3.4% of the whole global labour force in this sector, which gives Poland the first place in Central and Eastern Europe, the second place in Europe and the sixth place worldwide (Lasalle, 2013). The Association of Business Services Leaders (ABSL) (2016) highlights enormous potential of the development of the outsourcing services market in Poland. The most often handled business processes executed by commercial shared services centres (findings of a study conducted by ABSL on a group of 166 shared services centres operating in Poland) include accounting and payroll as well as IT processes, which generated respectively 19% and 37% of all jobs in shared services centres in Poland. Although accounting and payroll processes came second in the analysis of the employment structure, they were a clear leader in the study of maturity of processes and their widespread use in enterprises (Związek Liderów Sektora Usług Biznesowych, 2016). Thus, the activities of local governments in the area of establishment of shared services centres and development of the scope of provided services are in line with the experiences of the private sector.

#### **Acknowledgment**

The authors would like to thank all participants who took part in the research that was the basis for this paper.

## Endnotes

- <sup>1</sup> For more on the legal regulations concerning SSC in force in the UK, see: Sandford, 2015.
- <sup>2</sup> With the development of SSCs in British local government units, numerous studies and textbooks emerged presenting potential scenarios of implementing this type of organisational solutions. An example can be the study by: Brand, 2011.
- <sup>3</sup> The agreement between the boroughs was signed in 2011 and covers shared provision of such services as: education, social assistance, waste management and public procurement. For more on this agreement see: Chief Executives of Westminster City Council..., 2015.
- <sup>4</sup> It is worth stressing that at the stage of the governmental legislative process connected with this act, not all legal solutions with regard to increasing flexibility of local government units were adopted. For instance, the Ministry of Labour and Social Policy did not agree during interministerial consultations to cover social care institutions by shared services centres.
- <sup>5</sup> For more on the legislative process, see legislative process on the website of the Parliament (Sejm) of the Republic of Poland <http://www.sejm.gov.pl/sejm7.nsf/PrzebiegProc.xsp?nr=2656>, access on 16.07.2017.
- <sup>6</sup> In the case of Kuyavian-Pomeranian Voivodeship, the following gminas were analysed: Bydgoszcz (seat of the voivode) and Toruń (seat of the voivodeship local government authorities); in the case of Lubusz Voivodeship, the analysis covered gminas: Zielona Góra (seat of the voivodeship local government authorities) and Gorzów Wielkopolski (seat of the voivode).
- <sup>7</sup> Resolution no. XXXII/590/16 of Bydgoszcz City Council of 29 June 2016 on establishing a municipal organisational unit “Bureau for Finances of Education in Bydgoszcz” (Bydgoskie Biuro Finansów Oświaty) and granting it a by-law <http://www.bip.um.bydgoszcz.pl>, access on 10.07.2017.
- <sup>8</sup> Resolution no. XXVIII/711/16 of Gdańsk City Council of 25 August 2016 on establishing the budget entity “Shared Services Centre in Gdańsk” through joining the Centre for Handling Education Entities No. 1 in Gdańsk (Centrum Obsługi Placówek Oświatowych Nr 1 w Gdańsku) and the Administrative and Economic Group of Schools in Gdańsk (Zespół Ekonomiczno-Administracyjny Szkół w Gdańsku) and granting it a by-law, <http://www.bip.gdansk.pl>, access on 10.07.2017.
- <sup>9</sup> Resolution no. XXXIII/662/16 of Katowice City Council of 29 November 2016 on designating the Group for Handling Education Entities in Katowice (Zespół Obsługi Jednostek Oświatowych w Katowicach) as the handling entity to ensure delivery of a shared service to organisational units of the City of Katowice falling under the public finances sector, Resolution no. XXXIII/663/16 of Katowice City Council of 29 November 2016 on changing the name of Zespół Obsługi Jednostek Oświatowych in Katowice and granting it a by-law, <http://bip.katowice.eu>, access on 10.07.2017.
- <sup>10</sup> Resolution no. XXVII/688/16 of Łódź City Council of 30 March 2016 on establishing and granting a by-law to the budget entity Shared Services Centre, <http://uml.lodz.pl>, access on 10.07.2017.
- <sup>11</sup> Resolution no. XXXVIII/750/17 of Opole City Council of 23 February 2017 on establishing the organisational unit – Shared Services Centre in Opole and granting it a by-law, <http://um.opole.pl>, access on 10.07.2017.
- <sup>12</sup> Resolution no. 466/16 of Toruń City Council of 24 November 2016 on establishing the local government organisational unit “Shared Services Centre in Toruń”, granting

it a by-law and assigning tasks of handling collectively all organisational units of the gmina of the City of Toruń, <http://bip.torun.pl>, access on 10.07.2017.

- <sup>13</sup> Resolution no. XXX/601/16 of Wrocław City Council of 15 September 2016 on establishing a shared services centre for organisational units of gmina Wrocław under the name Centre for IT Services in Wrocław and granting it a by-law, <http://bip.um.wroc.pl>, access on 10.07.2017.
- <sup>14</sup> Resolution no. XLI.498.2016 of Zielona Góra City Council of 29 November 2016 on establishing the Shared Services Centre in Zielona Góra, <http://bip.zielonagora.pl>, access on 10.07.2017.
- <sup>15</sup> In Resolution no. XLIX/1221/13 of Wrocław City Council of 17 October 2013 concerning the grant of a by-law to the Centre for IT Services, the by-law defines a catalogue of tasks executed as part of a shared service, which includes, among other things: provision of services connected with the development of IT and communication and information systems, provision of services to maintain communication and information systems and infrastructure, provision of services of an operator of regional or local government units.
- <sup>16</sup> Journal of Laws of 2016, item 1454.
- <sup>17</sup> Centralisation of VAT tax in entities of the public finances sector, Social Service Portal, <http://ops.pl>, access on 16.07.2017.
- <sup>18</sup> An exception is the SSC in Opole, where with regard to the transfer of employees from handled entities the resolution of the City Council referred to the provision of art. 22 of the act on local authorities' employees.

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