

Service in local self-government bodies

In this article, we analyse the current state of one of the key areas of public administration reform — service in local self-government bodies.

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Improving the service in local self-government bodies (LSGs) is one of the priority changes in the context of public administration reform. This is one of the directions of the [Public Administration Reform Strategy of Ukraine for 2022–2025](#), aimed at ‘developing a professional, integrity-driven, politically neutral civil service and service in local self-government bodies, whose activities focus on protecting the interests of citizens’.

Key areas for the development of service in local self-government bodies include:

- establishing a professional and politically impartial service in LSGs;
- ensuring equal access to services in LSGs;
- harmonising legislation on service in LSGs with the Law of Ukraine ‘On Civil Service’. In addition, [the European Charter of Local Self-Government](#) (Article 6) and [conclusions of the European Commission](#) address the human resources management at the community level and the improvement of the status of employees in LSGs.

The Public Administration Reform Strategy does not provide for specific indicators of progress in reforming the LSG service, instead it defines indicators of reforming the public service in general (i.e. both the civil service and the LSG service). The absence of dedicated indicators for the LSG service limits the ability to measure the progress of its reform, however, the Strategy identifies a task related to the LSG service, namely the adoption of a new version of the Law of Ukraine 'On Service in Local Self-Government Bodies', which should enhance the prestige of the LSG service, improve the status of employees, provide opportunities for career growth, increase salaries, and improve the quality of professional training for local self-government officials.

State of Play and Progress of Reforms

› Law of Ukraine 'On Service in Local Self-Government Bodies'

The adoption of the Law of Ukraine '[On Service in Local Self-Government Bodies](#)' in 2023 was a major step towards reforming the service in local self-government. This Law will come into force after the end of martial law and will introduce the following **changes**:

- 1) establishment of the principle of political impartiality for employees while strengthening their social guarantees and rights in disciplinary proceedings;
- 2) establishment of a framework for the professional development of employees (creating a structural unit responsible for improving professional competences, developing an individual professional development programme for employees) and career opportunities (assigning the appropriate rank for employees with subsequent career progression);
- 3) distinction between the status of local self-government employees and elected local self-government officials;
- 4) establishment of a salary framework for positions;
- 5) streamlining procedures for open competitions for positions (with announcements and results published publicly);
- 6) significant increase in the level of social and legal protection of employees (they can appeal against violations of their rights to the heads of the service).

As envisaged by the public administration reform, the Law contains **the same wording as the Law of Ukraine 'On Civil Service'**, which indicates common approaches and a combination of procedures. The synchronisation of the two laws — 'On Service in Local Self-Government Bodies' and 'On Civil Service' — can be witnessed in the following aspects:

- principles of service;
- list of activities;
- correspondence between the terms 'local self-government employee' and 'civil servant';
- functions of the HR department and the head of the service;
- career progression and ranks of employees.

The new Law **fully regulates the service in local self-government bodies and aligns with the provisions of the European Charter of Local Self-Government**. The completeness and comprehensiveness of the service regulation is confirmed by the fact that a significant number of issues are addressed in this Law, rather than in the Law 'On Civil Service' or the subordinate acts of the CMU (as was the case before). In some cases (mostly broad issues that require the involvement of different structures and cannot be regulated otherwise), the Law includes references to the subordinate acts of the CMU.

Communities (*hromadas*) **will have the authority to independently regulate certain aspects of service in local self-government bodies**, namely those related to:

- conducting performance appraisals;
- developing and organising work with the personnel reserve;
- HR management in LSG bodies;
- drawing up an individual professional development programme for the employees;
- approving the salary framework for employees, determining the amounts of bonuses, etc.

This Law gives communities the right to account for their local peculiarities, while applying uniform approaches defined by the regulations and procedures of the National Agency of Ukraine on Civil Service (NAUCS).

› Remuneration of labour in local self-government bodies

One of the objectives of the Public Administration Reform Strategy is to carry out a comprehensive change in the remuneration system for both civil servants and LSG employees. According to the new Law of Ukraine 'On Service in Local Self-Government Bodies', salaries will be calculated based on the minimum salary thresholds, categories of positions, the official minimum wage and local needs. For a long time, there has been a problem of mismatch between employees' salaries and market conditions, and bonuses were considered compensation for low salaries. As of January 2024, the mandatory payments of a chief specialist of a local self-government body amounted to an average of [UAH 6,785 \(5,500](#)

— salary, 400 — rank, 885 — length of service). In accordance with the Law of Ukraine '[On the State Budget of Ukraine for 2024](#)', the minimum wage is UAH 7,100 from 1 January 2024, and UAH 8,000 from 1 April 2024. **This means that, on average, the salary, including mandatory payments, is less than the minimum market wage.**

Given the complexity and responsibility of the work of local government employees, addressing salary regulation is a pressing issue, as the last adjustments to salary levels were made in 2021, and the new Law 'On Service in Local Self-Government Bodies' will come into force after the end of martial law. Thus, the following decisions have been adopted:

- 1) In April 2024, the government issued [Resolution No. 484](#), which increased the salaries of local government officials (the minimum salary for a specialist was set at UAH 7,100, while other salaries were increased by 35%). Of course, the newly established salaries of LSG employees are higher than their previous levels, which is a positive change. However, there are reservations about this Resolution, as the amount of the official salary **does not correspond to the minimum wage effective from 1 April 2024 (which is UAH 8,000)**. This will lead to the fact that, as in previous years, only with the use of bonuses and longevity allowances will LSG employees be able to expect a decent level of remuneration;
 - 2) In March 2024, MPs registered the draft law [No. 11054 'On Amendments to the Law of Ukraine "On Service in Local Self-Government Bodies" to Ensure Decent Remuneration Conditions for Local Self-Government Officials'](#). This draft law establishes the minimum salary of a local government employee at a level not less than the minimum wage. Additionally, it establishes mandatory publication of decisions of local self-government bodies establishing bonuses, additional payments for additional workloads and other monetary payments to local self-government employees. In this part, the All-Ukrainian Association of Communities [supports the provisions of the draft law No. 11054](#);
 - 3) Draft Law [No. 10284](#) of 24 November 2023, which increases remuneration for the additional workload of employees involved in international programmes (budget support from the European Union, governments and/or municipalities of foreign countries, etc.).
- › [Training and professional development](#)

Another important task of the public administration reform is to train and improve the competences of LSG officials. Ukraine has approved [the Strategy for the Development of the Professional Training System for Civil Servants, Heads of Local State Administrations, their First Deputies and Deputies, Local Government Officials and Members of Local Councils until](#)

[2027](#), designed to standardise training procedures for employees of administrations and local governments.

According to the [NAUCS study](#), raising the level of professional competence of local self-government officials and local council members is recognised as the most important factor for improving the efficiency of local self-government. The main motivation for raising their professional level among the respondents is the desire to provide quality services in the community or to effectively fulfil their duties as council members (from 74.4% to 90.7% of respondents). The next most important motivations are the desire to learn something new (75.2% to 82.5%) and to understand the unknown (75.6% to 83.3%). Interest in career advancement and support from management were less important factors.

Training and advanced training are provided by higher education institutions, postgraduate education institutions (including the Higher School of Public Administration), research institutions, as well as 18 regional training centres coordinated by the NAUCS. As of August 2024, a total of [2,522 local government officials](#) have completed training at various educational institutions.

However, **the full-scale invasion has significantly complicated access to training for employees**. In particular, the lack of internet connection and electricity has reduced the accessibility, and distance learning reduced the effectiveness of these trainings for employees.

Another problem is **insufficient funding** due to limited resources and the focus of defence spending in Ukraine. Annual state budget allocations for professional training are determined based on the real budget capacity and do not cover the necessary costs of professional development in accordance with the needs, and [even the limited funding is reduced in conditions of martial law](#).

The problem of staff shortages in local self-government bodies has also impacted the effectiveness of training. The excessive workload of local self-government employees, coupled with a growing shortage of staff, leads to a formal attitude of managers to employee training, and due to a lack of time, to an inability to participate in training on a regular basis.

Recommendations

The effectiveness of the public administration reform depends, among other factors, on the results of the changes implemented in the local self-government service. Although the Strategy does not provide for specific indicators to measure the progress of changes in the

service in local self-government, it outlines tasks related to the adoption of the Law of Ukraine 'On Service in Local Self-Government Bodies' and improving the quality of professional training for local self-government officials. The new Law of Ukraine 'On Service in Local Self-Government Bodies' has been adopted, but martial law does not allow for the full implementation of its provisions. Therefore, today it is necessary to consider the complexity of the process of training highly qualified personnel, forming a personnel reserve, and developing procedures and model regulations. Thus, the following remains relevant:

- 1) Studying and analysing the needs of officials in terms of training and improvement of skills in LSGs;
- 2) Proper planning, training for officials with adaptation to the conditions of wartime;
- 3) Adoption of a draft law on remuneration of local government officials, which will allow for an increase in salaries even during martial law;
- 4) Preparing local self-government bodies for changes in human resources policy and the need to change the organisational structure of LSG;
- 5) Development and adoption of acts of local self-government bodies to regulate labour relations, as well as the admission to and performance of service in local self-government bodies;
- 6) Development and adoption of procedures, methodological recommendations, and model regulations by the NAUCS, based on which local governments will be able to develop their own normative legal acts.