



# Modernization and Reduction of Administrative burdens

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Town Council of Palencia



## Strategic Plan of Modernization

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- n The Town Council of Palencia has undertaken a planned, strategic process in order to create an up-to-date Administration:
  - n Directed toward the achievement of excellence in Public Service
  - n Inspired by social objectives
  - n Pursuing results and improvement of procedures
  - n Open to groups of interest
  - n Modern, XXI C-like, at the disposal of the citizens.



## Strategic Plan of Modernization Objective and Reach

To establish and put at the service of the citizens the information society, laying the foundations of the path towards the Digital Knowledge-Based Society: "Palencia@Digital"



## Strategic Plan of Modernization Areas of Action

- n Guidelines of the Plan
  - n Procedures and services
  - n Municipal Organization and the people
  - n Dealing with citizens
  - n e-Administration
  - n Quality of service



## Simplifying and Rationalizing of Procedures

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Article 34, Act 11/2007 LAECSP, establishes that the use of electronic devices must be preceded by an analysis of functional redesigning and simplification of the procedure, process or service.



## Reduction of burdens as Global Strategy

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- n Origin: Strategy of Lisbon for the growth and employment.
- n Measures from the UE
  - n Reducing compulsory declarations
  - n Avoiding duplicities.
  - n Authomatic collection of information.
  - n Facilitate the information for activities.
  - n Implementing a system of declaration.



## Reduction of Administrative burdens in Spain

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- n Council of Ministers Agreement, 4 May 2007: Group of High Level
- n Plan for the reduction of Administrative burdens
  - n 30% the commitment of reduction of burdens by 2012
  - n 6 priority areas of action.
  - n Project on improvement and simplifying measures.
  - n Protocol of action to analyze the impact of the new regulation.



## Reduction of Administrative burdens

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- n Council of Ministers Agreement, 27 June 2008: urgent execution of 11 measures
- n Council of Ministers Agreement, 14 august 2008: approval of 70 measures in order to reduce administrative burdens.
- n Palencia Pilot Plan. Covenant between MAP and FEMP to jointly carry out initiatives to reduce burdens: Pilot Plan Palencia.



## Administrative burdens

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Part of the economic cost for the companies in order to carry out all the required administrative tasks in accordance with current legislation



## Present Situation

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- n The reduction of administrative burdens does not imply deregulation, meaning by regulation not only laws, but also licenses, permissions, certifications, authorizations...
- n A better regulation quality shows the reduction of complexity, unnecessary procedures, and the elimination of administrative burdens



## Present Situation

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- n Administrative regulation is essential in order to have stable and efficient economy and society.
- n A higher degree of bureaucracy leads to higher administrative procedures, longer response time and more expenses.



## Simplification and Rationalization of Procedures

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- n Objective: To detect shortcomings in procedures due to excessive tasks, controls, complexity in processing, according to the necessary efficiency and quality in administrative performance.



## Chambers of Commerce Opinion

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- n The main procedures companies must bear:
  - n Obtaining authorizations, permissions...
  - n Communication of data to the Administration
  - n Producing documentation, accounts...
  - n Official Registrations
  - n Payment of economic liabilities.
  - n Requesting for deductions, subventions..



## Chambers of Commerce Opinion

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- n For half of the companies it takes an annual cost of 6.000 € to abide by the administrative regulations.
- n For those companies with more than 250 employees, the cost is 30.000 € per year.
- n Companies of every sector consider that the way the Administration works affects their business negatively.



## Present Situation

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Of all the 30 members of the OECD, Spain ranks in the 30th position regarding bureaucratic burdens for self-employed workers and in the 26th for companies (Source: World Bank)



## Present Situation

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- n The administrative expenses for the companies amount to 4,6 % of the GDP (3,5 % in the UE), and 7,2 % of the companies GDP.  
(Source: Barcelona Chamber of Commerce)





## Rationalization Measures

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- n 1. Elimination or simplification of operations.
- n 2. Computerization of procedures.
- n 3. Standardization of documents, forms
- n 4. Reduction of administrative burdens.



## Reduction of Administrative burdens

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- n Process of analysis
  - n 1. Authorization System
  - n 2. Absence of administrative response.
  - n 3. Possibility of limited number of authorizations.
  - n 4. Requirements for the access and performance of the activity.
  - n 5. Simplification of procedures.



## Reduction of Administrative burdens

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- n Analysis of the authorization system

Starting point

1. Do we need an authorization system?
2. Is it proportioned?
3. Is it discriminatory?



## Reduction of Administrative burdens

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- n Analysis of the Authorization System

Results in the Town Council of Palencia

Is it proportioned to the performance of the activity, of general nature as the IAE, all taxes paid to Social Security, or specific issues, such as food handler.

A formal statement is enough to meet many of the requirements

There is no discrimination when it comes to demand the requirements.



## Reduction of Administrative burdens

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### n Analysis of Administrative Silence

Normally, administrative silence is favorable for the citizen, although it may not be favorable under some specific circumstances.

In some specific social benefits.

When there is a special exploitation of the public domain.

Due to the nature of the activity.

Due to urban legislation.



## Reduction of Administrative burdens

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### n Analyzing if there is a limitation to the number of authorizations

Renewal of Licenses: they are automatically given by producing the application with the payment: bar terraces on the street.

When the license is granted annually, it may be extended if the circumstances do not change

Once a benefit has been given, i.e. IVTM, it applies automatically the following years without asking for it again.



## Reduction of Administrative burdens

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- n Simplification of procedures and documents
  - As a rule, only copies or photocopies are required. Original documents are only required when proof is needed.
  - In general, those documents that have been submitted once to the Town Hall are not required again.
  - Citizens are usually asked to hand in formal statements, which simplifies the number of documents required.
  - Certain departments make all the procedures on behalf of the citizen and then send the documentation to their address (i.e. buss passes)
  - A certain number of documents may be asked by telephone.



## Summing-Up

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- n The Town Hall of Palencia is establishing an ambitious Plan of Modernization, within the framework of the Digital Knowledge Society, which will allow to give more and better services, with more efficiency and quality, and meeting all the needs of the citizens, the companies, their employees and society.



## Summing-Up

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- n There is a Handbook of Procedures, which permits not only to abide by the LAECSP, but also that all the services and procedures in the Town Hall of Palencia may be transparent and of public knowledge



## Summing-Up

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- n Actions that were not justified on the grounds of public interest have been replaced by verifications or formal statements. The number of documents has been reduced, and administrative silence is usually understood as favorable for the citizen.



## Summing-Up

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- n The ultimate goal is to foster technologies within the framework of Plan Palenci@ Digital and with the establishment of e-Administration, which will allow citizens to obtain information, interact and make procedures on-line. All this will constitute a major breakthrough in order to reduce administrative burdens.