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Reimbursement for Delegated Tasks in Polish Local Government: Managerial Responses to Underfunding

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Abstract: The financing of delegated tasks assigned to local government units remains a key area of tension between central government administration and local governments in Poland. Previous studies have focused mainly on legal and fiscal dimensions, with limited attention to the role of public managers responsible for financial management. This article aims to assess managerial responses to the underfunding of delegated tasks and identify strategies used for cost calculation and pursuing due funds. The study applies a deductive-empirical approach based on a survey of representatives of 69 counties in Eastern Poland (approximately 22% of all counties in Poland). The findings show that underfunding is widespread, with 76.8% of surveyed units reporting the problem and 41.5% indicating it affects all delegated tasks. Managerial responses vary, while cost calculations often rely on simplified accounting data. The study highlights managerial agency and barriers limiting advanced financial management practices.

Keywords: cost accounting, local government units, delegated tasks, public financial management, grant underfunding, public managers.

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Introduction

The study assesses the characteristics of settlement models applied in practice between central and local government administration for delegated tasks, evaluated against the requirements of the New Public Management (NPM) paradigm, which emphasises effectiveness in achieving intended objectives and the efficiency of

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individual system components. The delegation of tasks to the lowest levels of administration stems from the principle of subsidiarity, which grants society the right to self-organisation (Moroni, 2024) and responds to the ineffectiveness of both the state and the market in ensuring economic and social order (Stiglitz, 2004). Its implementation requires the autonomy of local government units, supported by the principle of adequacy, under which units perform delegated tasks in their own name and allocate the necessary financial resources accordingly (Rodríguez-Pose, Vidal-Bover, 2022). In practice, however, the transfer of tasks is often not accompanied by adequate financial flows from the state budget, which significantly limits the ability of local governments to function efficiently (Rodríguez-Pose, Vidal-Bover, 2022).

Ensuring effective performance in this area requires a systemic perspective, understood as the ability of local government units to achieve their objectives efficiently while meeting the needs of citizens (Kożuch, 2019). Improving public-sector management increasingly requires solutions derived from organisation and management theory, new institutional economics, and change management (Grossi & Argento, 2022), consistent with the World Bank's definition of public management as the institutional capacity to deliver goods demanded by citizens in an effective, transparent, and accountable manner within resource constraints. This reflects broader changes in public administration: a shift towards service utility, participation, results-based management, and professionalisation, driven by decentralisation processes that redefined the division of competences between levels of public authority.

The persistence of bureaucratic solutions and the superficial adoption of NPM principles continue to hinder the professionalisation of local government financial management (Kim, Kang, 2024; Hood, Peters, 2004). A particular area of concern involves settlements for delegated tasks under Article 166 of the Constitution of the Republic of Poland: local governments must perform such tasks on behalf of the delegating authority, financed from externally transferred funds, without the possibility of refusal. A key issue is the activity of public managers in obtaining reimbursement of costs, since the absence of regulations and algorithms for calculating these values obliges them to apply discretionary solutions and to actively pursue centrally allocated grants, at times through litigation.

Existing studies on the financing of public tasks in Poland focus mainly on legal, fiscal, and systemic aspects, confirming that underfunding of delegated tasks is persistent and nearly universal (Swianiewicz, 2020), but they rarely examine the attitudes and actions of public managers in response to it. This gap points to the need for empirical research on the agency of public managers operating under systemic constraints - specifically, the scope, intensity, and effectiveness of their actions in calculating and pursuing the funds required for the full execution of delegated tasks. The aim of this study is therefore to assess the activity of local government managers in responding to violations of financial adequacy in settlements with central government administration for delegated tasks. The following research questions were formulated in the research process:

1. Does the amount of funds transferred from the state budget allow for the full and timely execution of delegated tasks, and how frequently do local government units experience problems in this regard?
2. What attitudes and strategies are adopted by public managers in response to underfunding - do active, adaptive approaches prevail, or is there a tendency to refrain from pursuing due funds?
3. Do local government units differ in terms of the actions undertaken and the tools used to calculate the amounts necessary for the full execution of tasks?
4. What factors determine the behaviour of managers in individual local government units?

Answers to these questions allow an evaluation of the extent to which public management practice in Poland aligns with the requirements of contemporary theories and the good practices of New Public Management. The article proceeds with a literature review, research methodology, results of the empirical analysis, and conclusions, including theoretical and practical implications and directions for further research.

1. Literature review

The efficiency criterion used in defining management is examined both from a general perspective and at the level of individual organisations (de Araújo, 2024), with the efficiency of the whole system depending on the efficiency of its individual components (Lutsenko, Tytiuk, et al. 2022) - an interdependence particularly emphasised at the interface between central and local government administration (Polovtsev, Naumov, et al. 2024). Delegated tasks are noted to enhance system performance by enabling service provision closer to the end user (Chi, Chen, et al. 2024), and cooperation among diverse system components (Kalinina, 2024) may generate synergy effects exceeding the sum of individual outcomes (Holubčík et al., 2023), even though organisations differ in their measures of efficiency owing to the diversity and limited accessibility of resources (Zhou, 2017).

Decentralisation, guaranteed under Article 15 of the Constitution of the Republic of Poland, does not obligate the delegation of tasks; the extent of decentralisation remains at the legislator's discretion (Constitutional Tribunal judgment, 2022). While the principle of adequacy of local government revenues to assigned tasks is broadly interpreted, the literature identifies the absence of a dedicated measure of adequacy as a key problem, leaving its application to legislative discretion and limiting allocated funds (Kłosowiak, 2021). Contemporary public management theories, including New Public Management (Hood, Peters, 2004) and Network Governance (Hartley, 2005), stress the need to cost the smallest components of performance-based budgeting (Szołno, 2024); simplified cost-aggregation methods do not reveal where costs are incurred or their unit values, undermining the basis for setting reimbursement grants.

Under Article 49(1) of the Act of 13 November 2003 on the Revenues of Local Government Units, delegated tasks are to be financed by target grants sufficient for

their execution, a requirement frequently unmet in practice (Ostrowska, 2024). Failure to transfer adequate or timely funds forces local governments either to limit task execution - risking allegations of administrative inaction - or to finance tasks temporarily from other sources, which raises doubts about the legality of using own-source funds and has led some cities (e.g., Poznań, Kraków) to pursue civil litigation, while others (e.g., Brzeg) have reduced service levels instead. Legal literature notes that claims may only be pursued where damage and a causal link to the donor's failure are demonstrated (Shyshka, 2022); using own resources without a reimbursement guarantee constitutes a loss that reduces a unit's own funds or its scope of services (Pali, Aholou, Yatta, 2025) and represents a symptom of inefficiency. As Stiglitz (2004) observes, citizens assess public levies against the value of funds allocated to tasks they believe should be centrally financed - supporting the view that underfunding of delegated tasks reflects legislative unlawfulness.

Agency in public management refers to differences in the capacity of individuals or institutions to act and influence their environment (Halling, Bækgaard, 2023); its absence leads to passivity, a manifestation of learned helplessness (Soral, Kofta et al., 2020), while cultural context shapes managerial proactivity across Europe, with no comparable studies yet conducted in Poland or Eastern Europe. In this study, individual agency is treated as a source of diversity in managers' behaviour, including the adoption of modern accounting solutions (Anessi-Pessina, Sicilia, 2020; Soral, Kofta et al., 2020); while ministerial-level responsibility concerns outcomes in public service delivery, contractors - unable to refuse delegated tasks - bear responsibility for their organisation's efficiency, requiring compliance with the adequacy principle in settlements.

Grants for delegated tasks are determined according to principles used for expenditures 'of a similar nature' (Article 49, replicated in Article 129 of the Public Finance Act; Dolnicki, 2023) - a concept the literature finds difficult to interpret. The absence of a designated authority for the calculation methodology, of standards, and of clear responsibility means that similarly calculated grants cover actual costs to varying degrees (Tibebu, Hittinger et al., 2021), an issue compounded by resource-based, systemic, and situational heterogeneity among organisations (Davis, DeWitt, 2021). In the absence of a market-like regulator, public-sector actors tend to maximise their own benefit (Clements, 2013), which in the context of delegated tasks translates into imposing obligations on local governments while limiting the grants that finance them.

Assessing efficiency requires adequate information, generated primarily through accounting systems (Siagian, 2024); dysfunctions arise from the limited implementation in local government accounting of tools for assessing unit costs (Labrador, Olmo, 2019), with the dominant nature-based cost classification in Poland producing information too general for effective oversight (De Bruyn, Huysmans et al., 2013). On the twelve-level cost-calculation maturity scale proposed by the International Federation of Accountants, most Polish local government

solutions correspond only to level 3 - sufficient for tracking and reporting costs (levels 1-8) but not for planning activities and resource capacity (levels 9-12). Few units have expanded their systems to determine direct and indirect costs of delegated tasks, reflecting both the absence of a legal requirement and treasurers' limited conviction about accrual-based solutions - a structure applied more often in public-private partnership offers than in delegated-task settlements.

2. Research methodology

To achieve the stated research objective, a deductive-empirical approach was applied. The starting point of the survey research consisted of systemic concepts of efficiency in public management and the postulates of New Public Management, which emphasise cost calculation, managerial accountability, and results orientation. The operationalisation of the study was based on four research questions defined in the introductory section, concerning: (1) the occurrence of underfunding of delegated tasks, (2) the scale of actions undertaken to recover due funds, (3) monitoring of the consequences of non-response, and (4) the reasons for inaction. The study was exploratory, quantitative, and pilot in nature.

The research was conducted among representatives of the executive authorities of local government units (starosts, treasurers, and secretaries), who have a direct impact on the process of settlements for delegated tasks. The sample included 69 land counties located in the area referred to as the ‘Eastern Wall’ or ‘Poland B’. It covers five voivodeships of Poland, namely Podkarpackie, Podlaskie, Świętokrzyskie, Warmińsko-Mazurskie, and Lubelskie. This regional classification results from the inclusion of these voivodeships in a special programme entitled “Development of Eastern Poland 2007 - 2013”, the aim of which was, and continues to be, to accelerate socio-economic development in Eastern Poland in accordance with the principle of sustainable development. This number represents 79.3% of all units of this type operating in the analysed area. The sample was purposive in nature and was based on the availability and willingness of respondents to participate in the study. The structure of the sample was characterised in terms of gender, age, field of education, length of service in local government administration, and tenure in the current position.

The survey and the entire research process were anonymous and voluntary. At each stage of the study, respondents were able to discontinue completion of the questionnaire. Participation in the study was entirely voluntary. Respondents provided informed consent to take part in the survey. The survey was anonymous and did not allow for the identification of respondents. During the study, no personal or sensitive data were collected. The research did not involve any particularly protected groups. All procedures were conducted in accordance with the principles of research ethics.

The study employed a self-developed, structured questionnaire survey designed on the basis of a literature review and expert analysis. The questionnaire included both single- and multiple-choice closed questions, as well as checklist-type questions

allowing respondents to select methods used in cost calculation. The structure of the questionnaire comprised five thematic sections:

- the scope and frequency of underfunding of delegated tasks (Q1-Q2),
- attitudes and reactions of public managers to the lack of adequate resources (Q3-Q4),
- financial conditions of decision-making and institutional barriers (Q6),
- methods used for cost calculation of delegated tasks (Q5),
- respondent characteristics (demographic section).

The set of methods used in the study (Table 1) to assess the consistency between grant allocations and poviat needs or the value of potential underpayments was constructed as a sequence of increasing complexity, ranging from the simplest intuitive solutions to advanced unit cost calculations. At the same time, a distinction was made between expenditure and cost categories, which allowed for the examination of both cash-based and accrual-based practices. This approach makes it possible to capture the level of accounting maturity of the units as well as the diversity of applied approaches, including original methods.

Table 1. Methods for assessing the consistency of grant amounts with the needs of the poviat or the value of potential underfunding

Method	
Des.	Basis
M1	the experience of the management staff and their prior knowledge and insight in this area
M2	information from the budgetary accounting system
M3	the value of expenditure incurred for the implementation of delegated tasks, taking into account additional expenditure items related to the handling of these activities as well as the performance of managerial functions by managers from other areas of poviat operations (including the Starost, Treasurer, and Secretary)
M4	the value of costs by type related solely to the performance of delegated tasks, using additional functionalities of the accounting system
M5	the value of costs by type incurred in the performance of delegated tasks, taking into account additional costs related to the servicing of these activities as well as the performance of managerial functions by managers from other areas of poviat operations (including the Starost, Treasurer, and Secretary)
M6	the value of costs in a cost calculation structure, in a manner enabling the identification of unit costs of individual delegated tasks, limited solely to their implementation
M7	the value of costs in a cost calculation structure, in a manner enabling the identification of unit costs of individual delegated tasks, including additional costs related to the servicing of these activities as well as the performance of managerial functions by managers from other areas of poviat operations (including the Starost, Treasurer, and Secretary)
M8	an original/individually defined method for determining the value of expenditure
M9	an original/individually defined method for determining the value of costs

Source: Author's contribution, 2026

In specifying the issue of gradation of complexity, it should be emphasised that the aim is to reflect increasing requirements in terms of knowledge, available tools, and the quality of necessary data. The first methods (M1-M2) identify discrepancies in the analysed area based on experience and general accounting information. In subsequent methods, a clear distinction is made between expenditure and cost categories, as an indication of the need to separate cash flows from the determined value of purposeful consumption of production factors aimed at achieving a planned and useful outcome. Methods (M6-M9), in turn, enable the calculation of unit costs for individual delegated tasks, allowing for the assessment of the efficiency and adequacy of their financing. The final two methods correspond to the latest trends in cost accounting, reflecting the specificity of individual units and their individual capacity to undertake specific actions. They therefore represent the most desirable approach for incorporating resource-based, systemic, and situational perspectives on organisational functioning.

The presented assumptions stem from the intention to compare practices applied in different counties within the study and to assess whether simplified or more advanced approaches prevail. It is therefore an attempt to evaluate a certain level of accounting and managerial maturity, and at the same time a form of activity aimed at going beyond the catalogue of established solutions.

The questionnaire was subjected to preliminary expert validation and a readability test in a pilot group (n = 10), which made it possible to eliminate linguistic ambiguities and confirm the substantive validity of the instrument.

The study was conducted in the form of an electronic survey **(**Computer-Assisted Web Interview – CAWI**)**, distributed to respondents via e-mail together with an invitation to participate and instructions for completion. The study was voluntary and anonymous. The data collection period covered January to March 2024. The response rate was 79.3%.

The empirical data were subjected to statistical analysis using Statistica 13.1 software (StatSoft Polska). The following methods were applied in the analysis:

- ✓ frequency analysis of responses to closed-ended questions,
- ✓ correlation analysis between demographic variables and cost calculation methods (chi-squared test and contingency coefficient/Cramér's V),
- ✓ identification of relationships between the level of managerial activity and indicators of the poviat's financial situation,
- ✓ interpretative triangulation of quantitative results with the theoretical model of systemic organisational efficiency and the principle of adequacy in public finance.

3. Research results and discussions

The structure of the research sample (Table 2) indicates that men slightly predominated (55.1% of respondents). Among the respondents, middle-aged and older individuals were the majority (those over 50 accounted for 75.4% of the

population). The age structure of respondents was also reflected in their professional experience. As many as 43.5% of respondents declared that they had been employed in local government administration for at least 20 years, while a further 39.1% had 10 to 20 years of experience.

In terms of field of education, a clear predominance of respondents with relevant qualifications was observed - 43.6% of respondents held degrees in economics, finance, or management. The remaining 56.4% represented other fields of study.

Most respondents (55.1%) have worked in their current position for no longer than 4 years. Individuals with 4-8 years of tenure accounted for 21.7%, while employees with at least 8 years of experience constituted 23.2%.

Table 2. Structure of the research sample of local government officials

	Specification		
	Sex*	female	44.9
		male	55.1
	Age [years]	aged 50 or younger	46.4
		50-60	24.6
		aged 60 or older	29.0
	Education [field]	economics/finance/management	43.6
		other	46.4
	Years of service in local government administration	10 or less	17.4
		10-20	39.1
		20 or more	43.5
	Years in the current position	4 or less	55.1
		4-8	21.7
		8 or more	23.2
TOTAL			100

*…..

Source: Author's contribution, 2026

The financial characteristics of the surveyed counties (Table 3) reveal a differentiated yet generally moderate level of financial autonomy and relatively high current expenditure loads. In this context, activities related to the oversight of the implementation of delegated tasks and their effective settlement may be hindered both for procedural and budgetary reasons, which provides an important background for the interpretation of the study results.

Table 3. Financial indicators of the counties in which the study was conducted [%]

Specification			**Structure**
	share of own revenues in total revenues	30 or less	39.1
		30-50	47.8
		50 or more	13.0
	share of target grants from the state budget in total revenues	10 or less	24.6

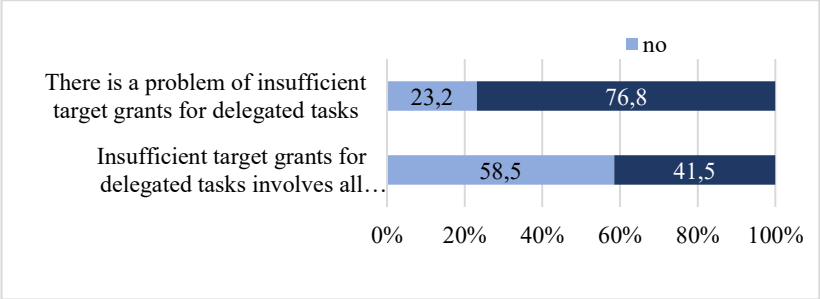
Specification			Structure
		10-15	60.9
		15 or more	14.5
	share of current expenditures in total expenditures	60 or less	29.0
		60-80	47.8
		80 or more	23.2
TOTAL			100

Source: Author's contribution, 2026

The largest proportion of the surveyed counties (47.8%) was characterised by a share of own revenues in total revenues ranging from 30% to 50%. In 39.1% of the units, this share was below 30%, while only 13.0% of counties exhibited a high share (at least 50%). The vast majority of counties (60.9%) recorded a share of target grants from the state budget in total revenues at the level of 10.0%-15.0%, whereas 24.6% featured a lower level of grants (below 10.0%). Target grants therefore remain an important, though not dominant, component of the revenue structure.
The share of current expenditures in total expenditures in the largest group of counties (47.8%) fell within the range of 60.0%-80.0%. In 23.2% of units, this indicator exceeded 80.0%. Thus, a relatively large group of surveyed units operates under conditions of high fixed costs, which may limit investment capacity and affect the manner of implementation and enforcement of delegated tasks.

A significant majority of respondents (76.8%) indicated that in their poviat there is a problem of insufficient target grants for delegated tasks (Figure 1). Among those local government officials who confirmed the existence of insufficient funding, 41.5% stated that it concerns all delegated tasks. The remaining respondents indicated that it applies only to selected tasks, including in particular: building supervision, geodesy and cartography, ongoing central government administration, remuneration of employees performing tasks within central administration, crisis management, etc.

Figure 1. Selected information on the occurrence of insufficient amounts for delegated tasks based on survey questions

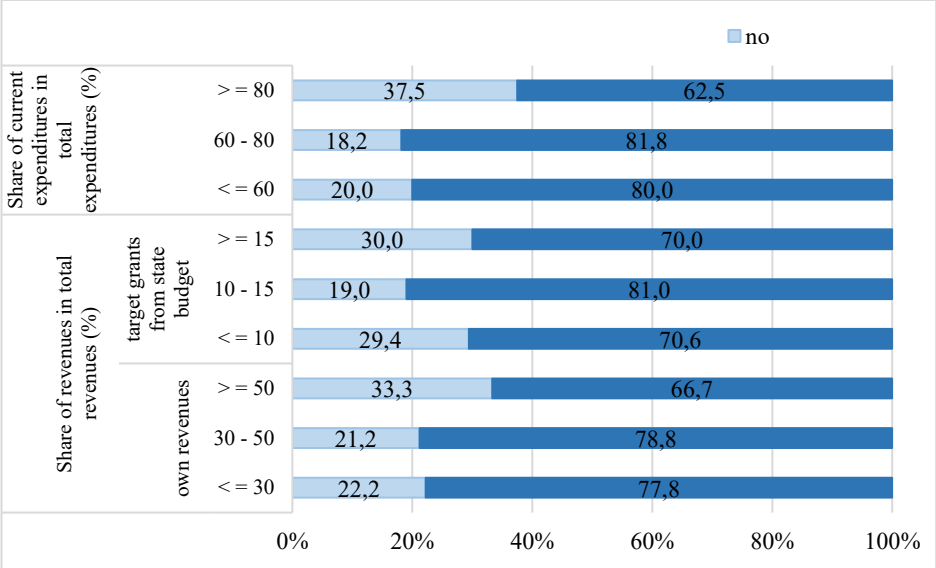


Source: Author's contribution, 2026

Questions 1, 2
Q1 – There is a problem of insufficient target grants for delegated tasks

Q2 – Insufficient target grants for delegated tasks involve all delegated tasks
The conducted independence test does not indicate the existence of a statistically significant relationship between the occurrence of the problem of insufficient target grants for delegated tasks and the financial situation of the poviat (p-value > 0.05). However, a detailed frequency analysis (Figure 2) shows that the problem of insufficient grants was more frequently reported in counties characterised by relatively weaker financial indicators, particularly in terms of a low share of own revenues and a high share of current expenditures. This suggests that local government units with a weaker fiscal position are more exposed to the consequences of systemic underfunding of delegated tasks imposed by central government administration. This indicates the need for further in-depth analysis of the relationship between financial condition and the effects of inadequate resource transfers within the task delegation mechanism.

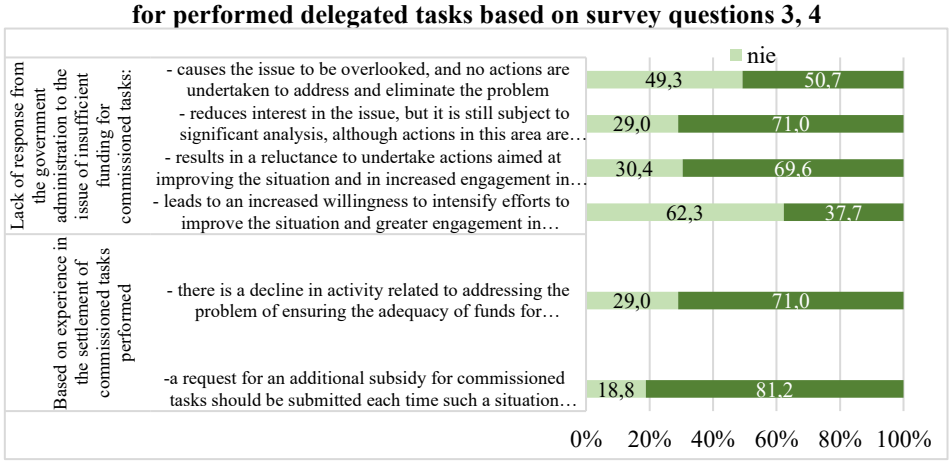
Figure 2. Occurrence of the problem of insufficient target grants for delegated tasks in relation to the financial situation of the poviat based on survey questions 1, 6



Source: Author's contribution, 2026

The majority of respondents (81.2%) indicate that applications for supplementary funding of delegated tasks should be submitted each time, regardless of the amount, scope of the task, or degree of underestimation (Figure 3). This reflects a belief that local government units should actively pursue full coverage of the costs of implemented tasks, even if the practice of submitting such applications is time consuming often does not yield the expected results.

Figure 3. Attitude/reaction to approaches to settlements for performed delegated tasks based on survey questions 3, 4



Source: Author's contribution, 2026

The observed distribution of responses indicates a belief that efforts to achieve systemic change in the analysed area must be conducted consistently and collectively. This is a necessary condition for increasing the willingness of central government administration to implement change. Respondents therefore demonstrated an active and claim-oriented attitude towards central administration, while at the same time exhibiting a high awareness of the financial consequences of failing to undertake such actions.

It is worth emphasising that none of the respondents selected the option ‘no opinion’, which suggests that the issue of supplementary funding is not perceived as neutral or secondary by the respondents. The problem is therefore considered important and is assessed in an unambiguous manner, regardless of differences in experience, size of the unit, or level of financial autonomy. Only 18.8% of respondents indicated that the submission of an application should depend on circumstances (e.g. the level of underestimation, the costs of preparing the application, or relations with central government administration).

The results presented in Figure 2 also show a relatively clear structure of responses, dominated by a consistent approach aimed at recovering due funds.

More than 25.0% of respondents (Table 4) indicated that in their units only one method is used to determine the amount of funding for delegated tasks. The remaining respondents reported using two methods.

Table 4. Percentage of indications of methods used to assess the consistency of grant amounts with poviat needs or the value of potential underfunding based on original research

Method*									
	M1	M2	M3	M4	M5	M6	M7	M8	M9
M 1	4.3								
M 2	18.8	14.5							
M 3	7.2	11.6	1.4						
M 4	1.4	7.2	2.9	0.0					
M 5	0.0	5.8	0.0	1.4	0.0				
M 6	0.0	1.4	0.0	1.4	0.0	4.3			
M 7	0.0	0.0	1.4	1.4	0.0	1.4	1.4		
M 8	2.9	2.9	1.4	1.4	0.0	0.0	1.4	0.0	
M 9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
				Legend	0	(0, 5]	(5, 10]	(10, 15]	(15, 20]

* Method designation acc. to Table 1

Source: Author's contribution, 2026

The most frequently used method, both as a primary approach and in combination with others, is M2 (use of information from the budgetary accounting system), indicated by 18.8% of respondents as the main method and by 14.5% as a supplementary method. The popularity of this method may result from its relative accessibility, compliance with the applicable reporting system, and the possibility of automating part of accounting analyses.

The second most frequently used method was M3 (determining grants on the basis of expenditure values incurred in the implementation of delegated tasks, including additional costs of servicing and management), indicated by 7.2% of respondents as the primary method and by 11.6% as an additional one. Its application may indicate a higher level of analytical sophistication and an attempt to include indirect costs associated with the implementation of delegated tasks. However, it still does not constitute an approach that employs the most advanced solutions proposed in modern cost accounting systems.

The remaining methods were used significantly less frequently. They often served a supplementary function, appearing in combinations with methods M2 or M3. The least frequently indicated were methods M9 and M5, which suggests either reluctance or limited capacity of local government units to develop their own cost

accounting tools, or the low popularity of custom-designed cost models in public administration.

The results presented in Table 5 indicate that in the vast majority of cases there is no statistically significant relationship between the choice of a specific method for assessing the consistency of grants with poviat needs and the demographic and professional characteristics of respondents (field of education, years in local government administration, tenure in the current position, age).

Table 5. Results of the independence test between the method used and selected respondent characteristics

	Respondent's characteristics/ Result of the independence test*						
Method	Education field		Years of service in local government administration		Years in position		Age
	p value	Contingency indicator	p value	Cramér's V	p value	Cramér's V	p value
M1	0.045	0.230	0.045	0.300	0.222	-	0.237
M2	0.598	-	0.697	-	0.249	-	0.3108
M3	0.720	-	0.103	-	0.652	-	0.590
M4	0.041	0.239	0.980	-	0.026	0.326	0.129
M5	0.591	-	0.081	-	0.819	-	0.317
M6	0.072	-	0.226	-	0.189	-	0.766
M7	0.377	-	0.819	-	0.519	-	0.982
M8	0.844	-	0.424	-	0.860	-	0.453

*Designations acc. to Tab. 1/Fig. 3

Source: Author's contribution, 2026

Out of the nine analysed methods, only two (M1 and M4) exhibited statistically significant relationships at the significance level of $p < 0.05$.

In the case of method M1 (based on managerial experience), a significant relationship was observed with field of education ($p = 0.045$; contingency coefficient = 0.230) and years of service in local government administration ($p = 0.045$; Cramér's V = 0.300). In both cases, the strength of the association falls within the moderate range.

For method M4 (costs by type, distinguished within the accounting system), significant relationships were identified with field of education ($p = 0.041$; contingency coefficient = 0.239) and tenure in the current position ($p = 0.026$; Cramér's V = 0.326). The value of Cramér's V indicates a moderate strength of association.

4. Discussions

The results of the conducted study confirm that a significant proportion of public managers in Polish local government units perceive the problem of chronic underfunding of delegated tasks. This phenomenon is long-term in nature—for many

of the surveyed units it has persisted for at least a decade—and is perceived as a systemic inefficiency in the relations between central and local government administration. In the context of public management theory, particularly the New Public Management approach and the concept of organisational efficiency, several important phenomena can be observed:

1. The findings confirm the validity of systems theory postulates, according to which the efficiency of the entire public system depends on the efficiency of its individual subsystems. Local government units, which are 'forced' to perform delegated tasks under conditions of inadequate funding from the state budget, reduce the scope and quality of services provided within their own tasks. This decreases their operational efficiency and, consequently, reduces the efficiency of the entire public service delivery system. The mismatch between the scope of responsibilities and the level of funding violates the principles of adequacy and subsidiarity, which constitute the constitutional foundations of local self-government in Poland.
2. The actions declared by respondents in terms of recovering due funds (including systematic submission of applications and appeals for supplementary financing) indicate a high level of awareness of the problem and increasing activity of local government units towards central government authorities. This appears to reflect the strengthening of managerial attitudes in local administration—consistent with the assumptions of New Public Management, according to which public managers not only manage resources but also undertake actions aimed at shaping the institutional environment conducive to achieving organisational objectives.
3. The methods of cost calculation for the provision of delegated tasks used in practice, primarily based on the budgetary accounting system (M2), indicate limited diversity and professionalisation of the tools used to calculate and justify the level of requested funding. More advanced approaches, taking into account full indirect costs (M3), cost allocation systems (M6, M7), or custom-designed solutions tailored to organisational specifics (M8, M9), are used only marginally. The dominance of the M2 approach suggests that a bureaucratic logic remains strongly embedded in Polish local government units—one based on formal compliance with procedures rather than results-oriented management or full cost analysis.
4. The development of managerial competencies among administrative staff influences the quality of management tools applied, which is consistent with the postulates of authors such as Zalewski, Lubińska, and Kożuch, who emphasise the importance of professionalisation and knowledge-oriented management in local government units. The statistical relationships observed for methods based on managerial experience and the use of cost-by-type accounting indicate that the choice of method may be partly determined by managers' competencies, both in terms of education and professional experience.
5. Insufficient use of tools for determining the actual cost of task implementation raises questions about the functional readiness of local government units to obtain funding that ensures timely delivery of services under delegated tasks. This

phenomenon may also be interpreted as a manifestation of institutional learned helplessness, as discussed by some authors (cf. Hood, Peters, McCourt), according to which public organisations withdraw from active engagement in areas where they face persistent systemic constraints.

6. The findings indicate that the transition from legalistic management to managerial management, as postulated by A.J. Kożuch and T. Lubińska, requires not only changes in competencies but also in institutional conditions and organisational culture. As indicated by research studies, this process remains in an unfinished stage of transformation. Although formal management structures in Poland have adopted elements related to performance-based accounting and managerial accountability, practice in many cases still relies on a legalistic-bureaucratic logic.

5. Conclusions

The aim of the study was to identify and assess the activity of public managers in local government units in counteracting the effects of underfunding of delegated tasks, through the cost calculation methods applied and actions undertaken in relations with central government administration. However, despite a relatively high response rate, the study had a pilot character and a limited territorial scope. At the same time, the cross-sectional nature of the study means that the obtained results provide a basis for identifying interdependencies, but do not allow for establishing causal relationships.

Regardless of these limitations, the conducted analysis enables the formulation of the following generalisations:

1. The phenomenon of chronic underfunding of delegated tasks is systemic and long-term in nature, and its existence has been clearly confirmed by the vast majority of local government managers in Poland. This problem is widespread, and its effects include a reduction in the organisational efficiency of local governments.
2. The attitudes of public managers indicate a high level of awareness of the problem and readiness to act, expressed, among others, in strong support for submitting applications for supplementary funding, regardless of the effectiveness of such actions. This reflects a growing sense of responsibility and agency on the part of local governments.
3. The methods used to determine the costs of delegated tasks are, in most cases, based on basic budgetary accounting tools, while more advanced methods are applied only marginally. The choice of methods is partly dependent on respondents' education and experience, which highlights the importance of analytical competencies in public management.
4. The inadequacy of transferred funds does not depend on the economic potential of the units. No statistically significant relationships were found between the occurrence of the underfunding problem and the financial situation of the unit. The problem is therefore structural rather than cyclical in nature.

5. The limited diversity of applied cost calculation tools and the predominance of procedural logic indicate the persistence of bureaucratic management characteristics, despite the declarative implementation of New Public Management principles. The transition towards a managerial model in Poland remains incomplete and requires institutional support as well as competence development.
6. The identified issue is universal for decentralised administrative systems in which delegated tasks are not adequately financed. The Polish experience fits into the broader context of local government reforms in Europe and may serve as a reference point for comparative studies.

The conclusions drawn from the study are relevant both for the development of public management theory and for the practice of public administration operating under resource constraints. At the theoretical level, the study confirms the adequacy of systems theory and the New Public Management paradigm in explaining dysfunctions in intergovernmental relations. The problem of task delegation without adequate financial resources supports the thesis of vertical coordination failure, while simultaneously pointing to the need for broader application of participatory approaches oriented towards shared responsibility and co-management.

At the empirical level, the article provides data enabling a better understanding of how public managers respond to systemic constraints - both through action (applications for supplementary funding, selection of specific cost calculation methods) and through inaction. In this sense, the study contributes to research on the agency of public managers under conditions of constrained autonomy, while also offering insight into the limits of managerial effectiveness within hierarchical and formalised structures.

From the perspective of the ability to generalise the study findings, it should be emphasised that the mechanism of underfunding of delegated tasks and the associated distribution of responsibility is not a phenomenon specific to Poland. Similar dysfunctions are also described in the literature on local government reforms in other European countries, which allows the obtained results to be treated as an example of a broader problem occurring in decentralised systems, particularly those characterised by weak fiscal–competence balance between levels of government. In this context, the Polish case may serve as a reference point for further comparative research, taking into account cultural, institutional, and political differences.

The obtained results open several directions for further in-depth research on the functioning of financing mechanisms for delegated tasks and the activity of public managers in local government units, including in particular:

1. The specificity of other types of local government units (urban and rural municipalities, cities with poviat rights, regional governments), as well as comparisons between regions with differing financial conditions and administrative structures, which would allow assessment of whether the observed mechanisms are characteristic of less economically developed areas of Eastern Poland or whether they are systemic in nature.

2. The extension of the research to include in-depth interviews with local government managers and representatives of central government administration, which would enable a better understanding of the motivations, barriers, and conditions influencing the undertaking—or non-undertaking—of actions aimed at recovering financial resources. Such an approach would also allow the identification of informal practices and adaptive strategies used under conditions of chronic underfunding.
3. An assessment of the effectiveness of different cost calculation methods in actual appeal or court proceedings concerning delegated tasks, which would constitute a significant contribution both to public management science and to administrative practice.
4. Comparative studies with other EU Member States in which similar models of delegated task implementation exist (e.g. Germany, Italy, Spain), as a basis for systemic recommendations for changes and improvements in Poland.
5. The impact of performance-based budgeting solutions on the adoption and implementation of cost accounting methods in the settlement of delegated tasks, enabling the identification of organisational and competency-related conditions conducive to the transition from a legalistic to a managerial model of public administration.

In the light of the obtained results and identified limitations, further research is planned on the mechanisms of financing delegated tasks and the problem of underfunding of local government units. Particular emphasis will be placed on in-depth case studies, the assessment of the effectiveness of different managerial strategies in negotiations with central government administration, as well as international comparisons taking into account different models of vertical coordination. The natural aim of this research will be to further develop the theses presented in the study and to formulate recommendations supporting more effective and equitable functioning of the decentralised public management system in Poland and other countries with similar institutional structures.

Ethical Compliance

All procedures performed in studies involving human participants were in accordance with the ethical standards of the institutional and/or national research committee and with the 1964 Helsinki Declaration and its later amendments or comparable ethical standards.

Data Access Statement:

The original contributions presented in this study are included in the article.
Further inquiries can be directed to the corresponding author.

Conflict of Interest

Conflict of Interest declaration: The authors declare that they have no affiliations with or involvement in any organization or entity with any financial interest in the subject matter or materials discussed in this manuscript.

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