



Principle of financial adequacy of local self-government units vs. local self-government healthcare expenditures

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Abstract

Motivation: The economic crisis caused by the pandemic revealed problems related to the financing of the tasks of local government units (LGUs). Moreover, these problems are associated with the violation of the constitutional principle of adequacy in financing public tasks, including tasks related to health protection.

Aim: The implementation of the principle of financial adequacy of local government units based on an analysis of local government spending on health care, considering the current situation caused by the COVID 19 pandemic.

Results: The results from the analysis of finances confirm that local governments' concerns about their financial situation are justified. The decrease in the investment potential of communes and poviats, dynamically growing current expenses, and the apparent increase in total income are the fundamental causes of the analysis. These causes, concerning the diversified number of medical entities in the analyzed cities' self-government, confirm that the principle of financial adequacy in health care is strongly undermined.

Besides, the economic situation caused by the COVID 19 pandemic has highlighted financial and organizational problems in local government units.

Keywords: local government expenditures; healthcare expenditures; LGU
JEL: H72; H75

1. Introduction

The actions taken by local self-government units (LSGUs) in Poland in the health care field are regulated by normative acts. The starting point should be to define the scope of activities and the method of their funding. These elements depend on specific statutory solutions. When ratifying the *European Charter of Local Self-Government* (ECLSG, 1985), Poland committed itself to observe the financial principles set out in that document. These include the right to own financial resources, which local communities can freely dispose of within the powers granted. It was emphasized that the amount of financial resources should correspond to the scope of powers defined in the legal acts. Moreover, the necessity to respect the principle of taxing power, which would enable the local self-government to shape the amount of financial resources in part coming from fees and local taxes, was indicated.

Finally, a provision was included that the financial system of LSGUs should be diverse and flexible. The financial principles of local communities outlined in the ECLSG (1985) are reflected in Art. 167 and Art. 168 of the *Constitution of the Republic of Poland* (1997). By virtue of these regulations the principle of financial adequacy of LSGUs was introduced into the Polish legal system.

The main objective of this paper is examining the implementation of this principle for LSGUs that are members of the Union of Polish Metropolises. An analysis will be made of the size of financial resources in relation to the public tasks in the field of health care allocated for implementation. The causes and demonstrations of violating this principle have been quite well explored on theoretical grounds (compare: Kornberger-Sokołowska, 2013; Lubińska, 2017, pp. 6–15; Surówka, 2017, pp. 430–439; Zdebel, 2015, pp. 5–26). Among the causes mentioned are those that diagnose factors relating to the level of revenues (e.g., loss of budget revenues as a result of systemic changes), as well as factors resulting in the need to incur increased expenditures (see: Kornberger-Sokołowska, 2020, pp. 9–16; Wyszowska, 2014, pp. 13–21). The duty to perform public tasks in the field of health care is carried out by public authorities. The health care tasks of local self-government units are defined in Chapter II of the *Act on health care services financed from public funds* (2004). Art. 7, Art. 8, and Art. 9 define the specific tasks for each level of a local self-government concerning equal access to health care services, which include in particular:

- development, implementation and evaluation of the results of health programs;
- initiation of local projects aimed at educating the population about factors harmful to health and their consequences.

It is clearly noticeable that the statutory provisions in this area are not very precise, which is exemplified by the following specific task assigned to a voivodeship self-government: “inspiring and promoting solutions regarding increasing of effectiveness, including restructuring in health care” (Act on health care services financed from public funds, 2004).

2. Literature review

The current distribution of tasks between the individual levels of the self-government sub-sector of health care is unclear. It is difficult to indicate unambiguously which local self-government unit level is responsible for the health of its community. Each level of a self-government sub-sector is autonomous, so the cooperation between them assumes of equality of entities. Assigning the role of a coordinator of health care actions taken at lower levels of self-governments to voivodeship self-governments could contribute to well-coordinated local health policy actions. It should be stressed that the amount of funds that LSGUs allocate for health care tasks is inadequate for their role in the health care system.

In the field of health care, LSGUs act as (compare: Dercz, 2005, pp. 83–86; Szetela, 2015, pp. 55–68):

- creators of health policy (in the case of concluding contracts with private entities or non-profit organizations for the implementation of prevention activities);
- providers of health care services (through subordinate entities, such as independent public health care facilities);
- investors providing for development and maintenance of health care infrastructure at the local level, mainly of health care entities (compare: Karczevska, 2020, pp. 111–112).

It should be emphasized that the primary responsibility for implementing health policy and providing financial resources to the health care sector lies with government administration (see: Kurzyna-Chmiel, 2020, pp. 7–15). In a unitary state, the independence of local self-governments cannot be equated with the right to establish their own rules of functioning independent of central authorities, including in the financial sphere. (see: Kornberger-Sokołowska, 2020, pp. 9–16).

The epidemic threat caused by the SARS-CoV2 virus, as an external element bringing a high degree of uncertainty, significantly affected the operations of local self-government bodies and the functioning of local self-government administration; it clearly revealed the need for LSGUs to engage in proactive measures (see: OECD, 2020).

The tasks of LSGUs in health care should be supplemented — in a manner clearly defined by law — with new tasks. “The manner in which public administrations respond to the pandemic has not yet been scientifically evaluated,

but it is an ideal subject for benchmarking comparative legal research in terms of effective action”. (see: Lipowicz, 2020, pp. 22–35).

3. Methods

The subject of this analysis are the health care expenditures of 12 Polish cities that are members of the “Union of Polish Metropolises — a nationwide organization of local self-government units” (hereinafter UPM): Białystok, Bydgoszcz, Gdańsk, Katowice, Kraków, Lublin, Łódź, Poznań, Rzeszów, Szczecin, Warszawa and Wrocław in the period 2012–2019. In addition, a comparison of the general financial situation of LSGUs in the first quarter of 2020 to the first quarter of 2019 is presented.

The research methods used are typical for social sciences, e.g., methods of empirical cognition, including observation. Descriptive analysis, as well as deductive and inductive reasoning were also used. Additionally, the analysis of reports on the execution of budgets of LSGUs and data from the Local Data Bank of Statistics Poland were employed.

4. Results

The financing of the health care system in Poland has been dictated by the government. The main source of health care financing since 2003 has been a special purpose fund — the National Health Fund. The National Health Fund, despite its formal independence, remains under the control of the government administration (the Minister of Health). The financial resources collected under this fund cover 85% of public expenditure on health care and almost 71% of total expenditure. The other main public source of funding is the state budget (about 8% of public expenditure on health care) and the budgets of LSGUs (about 6% of public expenditure on health care).

In 2019, LSGUs in Poland allocated more than PLN 4.5 billion for expenditure in division 851 of the budget classification: “Health care” (Ministry of Finance, 2020). In comparison to 2012, this is an increase of over 28%. From 2012–2015, the volume of LSGUs’ expenditures on health care increased steadily, from PLN 3.5 billion in 2012 to PLN 3.9 billion in 2015. In 2016, there was a decrease in the volume of these funds by about 15%, which is mostly related to the decrease in expenditures on health care at the voivodeship level (in these units the drop was more than 33%). Beginning in 2017, the volume of spending on health care by LSGUs has increased again (Chart 1). In 2017, the increase was relatively small (about 4%); in 2018 it was 15%, and in 2019 — more than 35%. When analyzing the distribution of funds allocated to health care by different types of LSGUs (Table 1), one can observe that not all of them spend the same amount of funds for this purpose. In 2019, the largest share of total expenditures on health care by LSGUs was recorded at the voivodeship level at 34%, while the smallest share concerned municipalities at 16%.

It is worth noting that these proportions varied from year to year. In the period 2012–2016, it was the poviats that had the largest share of health care expenditures based on total health care expenditures of LSGUs, while in 2017 and 2018 this situation was the case for cities with poviat rights.

In Poland there are 314 poviats and only 66 cities with poviat rights (CPRs), and health care expenditure levels for both are similar (i.e., PLN 1.07 billion and PLN 1.2 billion in 2019, respectively). Thus, it should be stated that in the structure of LSGUs' financing health care, the role of CPRs, the number of which is almost 5 times smaller than the number of poviats (see: Szetela, 2015, pp. 55–68), is significant.

Taking into account the share of health care expenditures in total expenditures of particular types of LSGUs (Chart 2), it can be concluded that they are of marginal importance. Health care related tasks compete with other tasks assigned to local governments. In 2019, LSGUs spent significantly more funds on tasks such as: education (27.1% of total expenditure), family (17.8%), transport and communications (14.9% of total expenditure), public administration (8% of total expenditure), and municipal services management and environmental protection (7% of total expenditure) (see: KRRIO, 2020). In the case of health care expenditure, its share in total spending in 2019 was at the level of 0.54% in municipalities, 1.21% in CPRs, 3.61% in poviats, and 8.36% in voivodeships. In the period 2015–2019, one can observe an increase in the share of health care spending in total expenditure in the case of voivodeships, and a decrease in the case of poviats. In municipalities and cities with poviat rights, the share was at a similar level throughout the analyzed period.

The health care expenditures of CPRs have material significance in the total health care expenditures of LSGUs. In this study, special attention will be paid to the 12 cities with poviat rights that belong to the Union of Polish Metropolises, i.e., Białystok, Bydgoszcz, Gdańsk, Katowice, Kraków, Lublin, Łódź, Poznań, Rzeszów, Szczecin, the Capital City of Warsaw and Wrocław. As indicated in the National Spatial Development Concept 2030 (see: Resolution, 2011) these centers “are centers of economic management at least at the national level; have a high economic potential (above the national investment attractiveness); offer a range of higher-level services and perform symbolic functions; possess significant external tourist attractiveness, great educational and innovation potential (developed higher education, presence of scientific and R&D units); have the ability to maintain trade, scientific, educational and cultural relations with international metropolises; and are characterized by high internal and external transport accessibility”. Additionally, the health care spending of UPM cities is significant in the total health care expenditures of CPRs (Chart 3). Between 2012 and 2019, health care expenditures of the 12 UPM cities accounted for more than 50% of total health care expenditures of cities with poviat rights.

In 2018, this share amounted to as much as 60%. No significant changes were observed during the studied period. The size (population) and wealth

of the city are factors that explain the differences in the volume of health care expenditures. The largest share of the analyzed expenditures concerned the Capital City of Warsaw, where in 2019 it amounted to 1.39%, and 1.89% on average in 2012–2019. This is undoubtedly linked to the size of the budget at the disposal of the city. In comparison to the second largest city, i.e., Kraków, the budget of the Capital City of Warsaw is over 3 times larger. In the second group of cities (Kraków, Łódź, Wrocław, Poznań), the share of expenditures on health care in total expenditures ranged from 0.85% in Wrocław to 1.39% in Kraków. The situation in the other cities was similar, not exceeding the level of 1.31% (Ministry of Finance, 2020).

Significant changes can be observed when analyzing the level of spending on health care in absolute terms from 2012–2019. In the Capital City of Warsaw in 2019, these expenditures increased by over 37% as compared to 2012. As for the second group of cities (Kraków, Łódź, Wrocław, Poznań), the most significant change was observed in Kraków, where health care expenditures increased by over 145%. An increase of more than 100 percent also occurred in Poznań, while in Wrocław the expenditures remained at a comparable level. In the third group, comprising seven cities, a decrease in expenditures on health care was recorded in Bydgoszcz, Lublin, and Szczecin (by 20%, 10%, 19% respectively). In the remaining cities, the highest growth was observed in Rzeszów — a change of over 168% in comparison with 2012 (Ministry of Finance, 2020). Changes analogous to those described above can be observed when analyzing per capita health care expenditures of the investigated cities (Table 2).

The structure of health care expenditures of the cities under analysis is dominated by current expenditures (Chart 4). In accordance with the *Act on public finance* (2009), current expenditures of LSGUs are understood as budget expenditures that are not property expenditures and include:

1. expenditures of budgetary units, including for:
 - salaries and related premiums;
 - expenditures related to the performance of their statutory tasks;
2. grants for current tasks;
3. benefits to natural persons;
4. expenditures for programs financed with funds referred to in Art. 5 sec. 1 items 2 and 3 in the section related to implementation of tasks of a local self-government unit;
5. payments on account of sureties and guarantees granted by a local self-government unit due for repayment in a given budget year;
6. servicing of debt of a local government unit.

Current expenditures on health care mainly include salaries and salary related expenditures, purchases of materials and services, and budgetary unit and subsidy expenditures. The remaining part of health care expenditures are property expenditures, which in this case are entirely allocated to investments.

In accordance with the provisions of the *Act on medical activity* (2011), one of the powers of LSGUs is the possibility of granting subsidies to entities car-

rying out medical activity. The funds received may be allocated to: 1. implementation of tasks in the scope of health policy programs, health and health promotion programs, including the purchase of medical apparatuses and equipment, as well as implementation of other investments necessary to carry out these tasks; 2. renovations; 3. investments other than those specified in point 1, including the purchase of medical apparatus and equipment; 4. implementation of projects financed with the participation of funds from the European Union or non-refundable resources from aid granted by the Member States of the European Free Trade Association (EFTA), or other non-refundable funds from foreign sources on terms specified in separate regulations; 5. purposes specified in separate regulations and international agreements; 6. implementation of multi-annual programs; 7. coverage of costs of education and improvement of skills of medical professionals. In the Capital City of Warsaw, the average share of subsidies in health care expenditures in the years 2012–2019 amounted to over 18%. Among the cities in the second group, the largest share of subsidies in expenditures on health care was in Wrocław, where in 2012–2019 it amounted to more than 47%. In the third group of cities, the share of subsidies exceeded 30% in Białystok (32% of total expenditures on health care), while Bydgoszcz and Lublin had the lowest result (less than 10%).

The expenditures of LSGUs cover three areas: health care, public health, and social welfare. Local self-government units carry out their own and assigned tasks in the three previously mentioned areas, in accordance with the divisions of budget classification. This classification helps determine how individual funds are allocated. The primary task of municipalities in the field of health care is counteracting alcoholism. In the period 2012–2019, the average share of health care expenditures allocated for this purpose ranged from 17% in Warsaw, to over 45% in Białystok (Chart 5). In contrast, there was a greater disparity “General Hospital” expenditure. The largest amount of funds for this purpose in the years 2012–2019 was spent in the Capital City of Warsaw. In the second group of cities, Poznań had the highest level of expenditures in the “General Hospitals” chapter, whereas Wrocław had the lowest (0.2%). Other cities demonstrated large differences — in Rzeszów these expenditures constituted almost 3%, while in Gdańsk — only 0.2% of total expenditures on health care. In Lublin such expenditures were not recorded. It is important to note that, on the one hand, local government units are obligated to run independent public health care facilities while on the other hand, they currently have no real influence on the shape of systemic financing of the health care system in Poland.

In 2020 LSGUs incurred numerous additional costs related to counteracting the effects of the epidemic in Poland — especially in the fields of health care (e.g., purchase of disinfectants, personal protective equipment, purchase of medical products of limited availability) and social welfare. Hence, an attempt was made to analyze and evaluate the financial condition of LSGUs at the end of Q3 2020 as compared to the end of Q3 2019. Choosing this period was determined by the availability of data at the time of publication research.

The comparison of analogous periods in 2019 and 2020 allowed us to observe and evaluate the changes that took place in the finances of local self-governments during the initial period of the epidemic in Poland. The analysis was based on collective data available on the website of the Ministry of Finance including summary reports on the implementation of budgets of LSGUs after three quarters of 2019 and 2020 (Ministry of Finance, 2021).

The overall level of income of LSGUs in 2020 grew by more than PLN 21 billion (9.5%) compared to the previous year (Table 3). For categories of local self-government units, we can also observe an increase in income from 7.2% in CPRs to over 12% in poviats. This increase is attributed to the growth in the share of targeted subsidies and to the general subvention in the income of LSGUs. This, in turn, results in a change in the structure of the sources of their own income.

The significant growth in targeted subsidies reduced the autonomy of local self-government units in the implementation of their expenditure policies. On the expenditure side, at the end of Q3 2020 there was an increase in current expenditures (in all types of LSGUs) and a decrease in property expenditures (in CPRs, municipalities and LSGUs in general). In the case of shares in revenue from state income taxes, the drop in receipts from this source for all types of LSGUs is linked to the personal income tax. This results not only from the pandemic's reduction of revenues, but also from the government's decisions to reduce basic PIT rates (from 18 to 17%) and to introduce a zero PIT rate for people under 26 years of age with no change to the financial support of local self-governments. The decrease was most notable in CPRs. Revenues from shares in corporate income tax in Q3 2020 grew in all types of LSGUs, except for cities with poviat rights. It is assumed that the revenue of individual LSGUs from PIT shares reflects the general economic situation in the country, and their revenue from CIT shares reflects the situation in the local market. Thus, the decrease in CIT revenues in CPRs is more evidence of the deteriorating financial situation in these units.

The increase of current expenditures is associated with the implementation of the "Family 500+" (*Rodzina 500+*) program, entirely financed from the state budget, which does not affect the financial condition of LSGUs. The rise in current spending was compounded by extraordinary expenditures to ensure epidemic safety, including meeting the special sanitary conditions to allow students to return to school.

What is worrying are the figures for the operating result. Although the budgetary outcome does not suggest any unfavourable financial situation of LSGUs, the data affecting the operating result may be indicative of the emerging financial problems of local self-government units. They are one of the most important indicators of the financial standing of LSGUs illustrating whether a given unit can cover its current expenditures with current income. Operating surplus is an indicator illustrating the financial situation of the local self-government, its ability to repay credits, loans or bonds issued, as well as its ability to inde-

pendently finance investments. The higher the amount of the operating surplus, the greater the possibility of realization by LSGUs of new property projects, either directly allocating this amount to investments or indirectly repaying previously incurred liabilities for investment purposes. As can be seen from the data presented in Table 3, the level of this surplus clearly collapsed in CPRs (by more than 60% compared to the same period in 2019), and these units are the largest investors among all LSGUs. This decline was a result of changes in the economic situation, regulations on the PIT and the increasing burden of tasks imposed on local self-governments by the state, such as additional activities related to combating the pandemics. An increase in the level of operating surplus can be observed in poviats and voivodeships. Table 4 presents data illustrating changes in selected sources of income of LSGUs at the end of Q3 2020 compared to Q3 2019.

The main source of the income of LSGUs is tax revenue. The tax revenue of all levels of local self-government units consists of shares in the revenues from state income taxes. For municipalities and poviats, the most important are shares in the PIT, for voivodeships shares in the CIT. The catalog of communal tax revenues is broader. It also includes local taxes and fees, of which the largest income is generated by real estate tax and revenue from taxes collected by tax offices (Nelicki, 2020).

Significant for the finances of local self-governments in times of economic crises is the real estate tax. In the period under analysis the income from this source in CPRs grew by 0.8 percent, which may be an effect of various exemptions granted by local self-governments to protect business entities from the effects of lockdown (e.g., shopping malls). In the case of inheritance and donation tax, market fee or stamp duty, the budget revenues depend on decisions about exemptions, allowances and deferrals taken by the local government unit itself. In the analyzed period, to mitigate the effects of lockdown introduced because of the pandemic, local self-government units applied the above-mentioned tax policy instruments, which translated into lower revenues from these sources to their budgets.

As previously mentioned, the income situation of LSGUs in Q3 2020 was affected by the increase in targeted subsidies and by the general subvention. Grants for the assigned tasks were related to the “Rodzina 500+” program, while general increase in subsidies concerned the education part in connection with the increase of teachers’ salaries.

In response to the financial situation of local self-governments resulting from, among other things, the pandemic and lockdown, the government, as part of the Anti-Crisis Shield 4.0, introduced measures aimed at improving the financial situation of LSGUs (Act on subsidies to interest rates on bank loans..., 2020; Sobolewska, 2021). The measures proposed by the government can be described as temporary proposals, reactions to the rising financial costs of the introduced restrictions related to the COVID-19 pandemic. They will not eliminate the dysfunctions of the local finance system in Poland that have existed

for many years. The economic crisis caused by the pandemic made the problem of violating the constitutional principle of adequacy in the process of decentralization of public tasks, including those related to health care, even more evident.

5. Conclusion

The result of the analysis of local self-governments' expenditures on health care in cities belonging to the UPM in the years preceding the pandemic clearly indicates that the financial (but also organizational) engagement of LSGUs in this field was low. The most significant factor impacting the financial situation of LSGUs in 2020 was the pandemic and the introduction of lockdown. The main reason for closing selected areas of life in Poland was the fear of exceeding the capacity of the health care system, especially in the section of inpatient (hospital) treatment. A thorough assessment of the impact of the COVID-19 pandemic on the financial situation of local self-government units at a given moment is difficult. Firstly, the pandemic is still ongoing and measures mitigating its negative economic effects are still being carried out by the state. Secondly, the time of the pandemic coincides with significant changes in the law, which also have an impact on the financial situation of LSGUs (e.g., changes in the PIT — the exemption for persons under 26 years of age). Finally, it is difficult to separate the impact of business cycle changes from the repercussions of COVID-19 (Swianiewicz & Łukomska, 2020).

In the period under analysis, the real estate tax revenues in cities with poviat rights increased by less than one percent, which may be an effect of various exemptions granted by local self-governments to protect business entities from the effects of lockdown (e.g., shopping malls).

Conclusions from the analysis of financial data after the third quarter of 2020 in comparison with the end of the third quarter of 2019 confirm that the concerns of local self-governments about their financial situation are justified. The decrease in investment potential of municipalities and poviats, dynamically growing current expenditure and illusory growth of total income — these are the most important phenomena diagnosed during the conducted analysis. Unfortunately, these phenomena, combined with the effects of the pandemic, will limit the scope of public services and the scale of public investment. It is important, however, to emphasize that the available data indicate that the impact of the crisis on local self-governments was uneven. Larger cities, where the operating result decreased by more than a half, are most affected.

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Appendix

Table 1.

The share of health care expenditures of types of LSGUs in total health care expenditures of LSGUs (in %)

| Year | Communes | Poviats | CPRs | Voivodeships |
|------|----------|---------|------|--------------|
| 2012 | 15 | 33 | 25 | 27 |
| 2013 | 14 | 34 | 28 | 24 |
| 2014 | 16 | 34 | 29 | 21 |
| 2015 | 14 | 30 | 27 | 29 |
| 2016 | 18 | 31 | 29 | 22 |
| 2017 | 17 | 27 | 31 | 25 |
| 2018 | 17 | 27 | 30 | 26 |
| 2019 | 16 | 24 | 26 | 34 |

Source: Own preparation based on local self-government units' reports on the implementation of the budget available on Ministry of Finance (2021).

Table 2.

Health care expenditures of the investigated cities per capita in 2012–2019 (PLN)

| City | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|-----------|------|------|------|------|------|------|------|------|
| Wrocław | 54 | 54 | 57 | 53 | 49 | 50 | 53 | 56 |
| Bydgoszcz | 58 | 63 | 69 | 56 | 50 | 48 | 44 | 48 |
| Lublin | 52 | 50 | 57 | 51 | 51 | 50 | 48 | 48 |
| Łódź | 56 | 68 | 75 | 66 | 75 | 67 | 63 | 66 |
| Kraków | 46 | 64 | 75 | 82 | 85 | 95 | 126 | 108 |
| Warszawa | 111 | 164 | 158 | 146 | 119 | 177 | 190 | 146 |
| Rzeszów | 51 | 50 | 54 | 46 | 46 | 72 | 110 | 126 |
| Białystok | 41 | 36 | 37 | 48 | 43 | 51 | 63 | 72 |
| Gdańsk | 46 | 53 | 54 | 49 | 52 | 53 | 61 | 70 |
| Katowice | 55 | 158 | 57 | 55 | 53 | 75 | 81 | 90 |
| Poznań | 35 | 37 | 45 | 67 | 79 | 64 | 73 | 83 |
| Szczecin | 60 | 59 | 63 | 53 | 47 | 43 | 43 | 50 |

Source: Own preparation based on Statistics Poland (2021).



Table 3.
Change in basic financial figures of LSGUs at the end of Q3 2020 compared to the end of Q3 2019

| Specification | LSGUs | CPRs | Communes | Poviats | Voivodeships |
|-----------------------|-------|-------|----------|---------|--------------|
| total revenue | 9.5 | 7.2 | 10.2 | 12.3 | 11.3 |
| current revenue | 7.2 | 4.6 | 8.1 | 8.8 | 11.4 |
| revenue from property | 33.2 | 38.6 | 33.1 | 44.8 | 10.8 |
| total expenditure | 8.1 | 8.3 | 7.8 | 9.7 | 6.9 |
| current expenditure | 9.7 | 9.7 | 9.7 | 9.6 | 9.3 |
| property expenditure | -2.7 | -2.1 | -7.1 | 10.6 | 1.2 |
| budgetary outcome | 25.3 | -26.9 | 35.9 | 27.8 | 27.6 |
| operating result | -10.8 | -60.4 | -3.5 | 4.6 | 15.9 |
| total EU expenditures | -4.4 | -6.6 | -15.9 | -26.1 | 16.9 |
| liabilities | 5.6 | 9.9 | 3.5 | -0.1 | -4.6 |

Source: Own preparation based on local self-government units' reports on the implementation of the budget available on Ministry of Finance (2021).

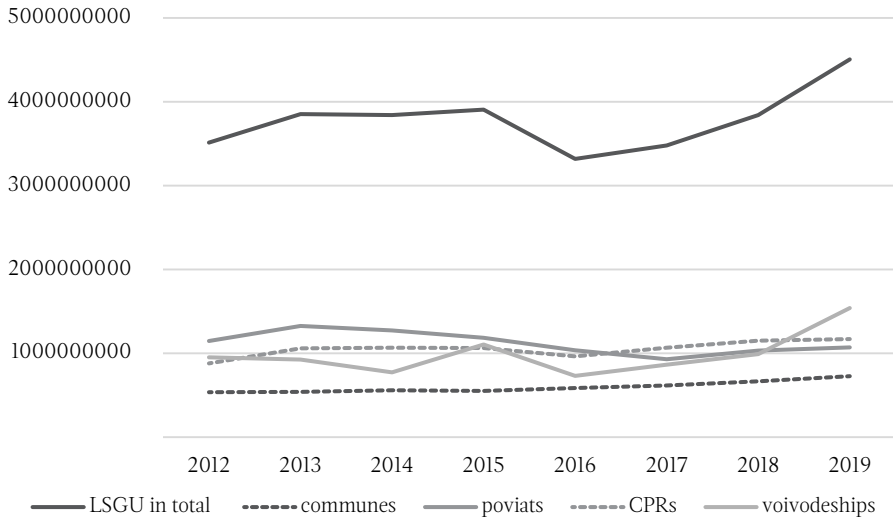
Table 4.
Revenue figures of LSGUs at the end of Q3 2020 compared to the end of Q3 2019

| Specification | LSGUs | CPRs | Communes | Poviats | Voivodeships |
|------------------------------|-------|-------|----------|---------|--------------|
| own revenue | 5.1 | -0.1 | 8.8 | 12.5 | 1.7 |
| personal income tax | 0.3 | -4.1 | 8.9 | 8.3 | 0.3 |
| corporation income tax | -5.8 | -6.7 | -4.9 | -5.1 | -5.9 |
| real estate tax | 3.1 | 0.8 | 4.5 | n/a | n/a |
| inheritance and donation tax | -13.3 | -10.7 | -16.8 | n/a | n/a |
| revenue from stamp duty | -8.1 | -8.6 | -7.3 | n/a | n/a |
| receipts from market place | -20.8 | -21.5 | -20.7 | n/a | n/a |
| revenue from property | 6.4 | 7.3 | 3.7 | 16.4 | 17.6 |
| total grants | 17.4 | 21.4 | 16.1 | 9.2 | 20.2 |
| general subvention | 8.1 | 9.1 | 3.8 | 13.7 | 21.7 |

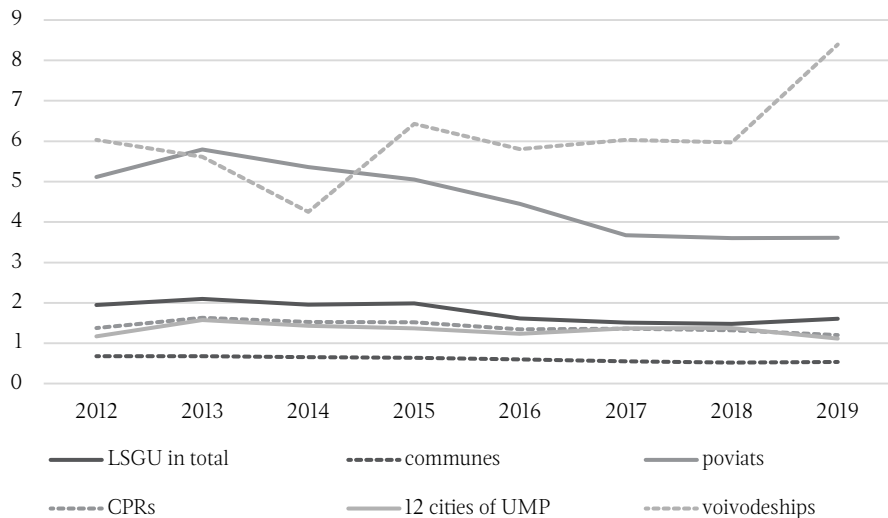
Notes:

n/a — not applicable.

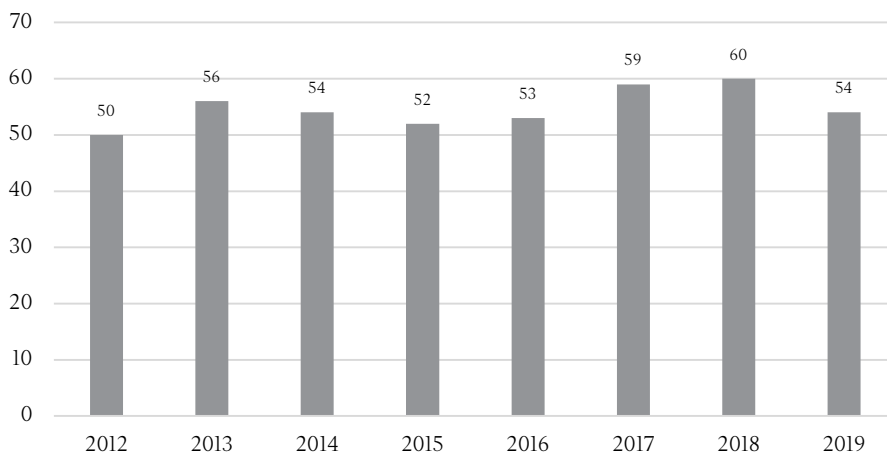
Source: Own preparation based on local self-government units' reports on the implementation of the budget available on Ministry of Finance (2021).

Chart 1.**Size and structure of the financial resources spent on health care by types of local self-government units in 2012–2019 (in PLN)**

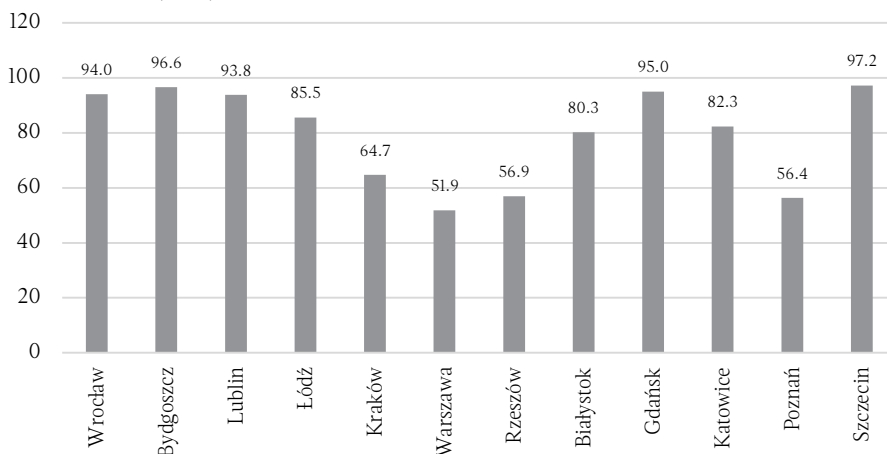
Source: Own preparation based on local self-government units' reports on the implementation of the budget available on Ministry of Finance (2021).

Chart 2.**The share of health care expenditures in total expenditures of types of LSGUs in 2012–2019 (in %)**

Source: Own preparation based on local self-government units' reports on the implementation of the budget available on Ministry of Finance (2021).

Chart 3.**The health care spending of UPM cities in the total health care expenditures of CPRs (in %)**

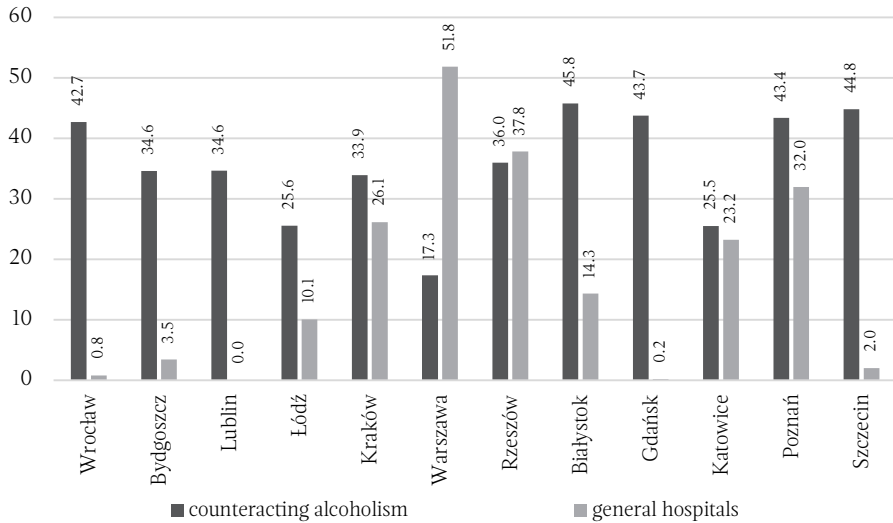
Source: Own preparation based on local self-government units' reports on the implementation of the budget available on Ministry of Finance (2021).

Chart 4.**The share of current expenditures in total health care expenditures of UPM cities in 2012–2019 (in %)**

Source: Own preparation based on local self-government units' reports on the implementation of the budget available on Ministry of Finance (2021).

Chart 5.

The share of expenditures in the “General Hospitals” and “Counteracting Alcoholism” chapters in total health care expenditures of UPM cities in 2012–2019 (in %)



Source: Own preparation based on local self-government units' reports on the implementation of the budget available on Ministry of Finance (2021).