

Support for water services

- the state's participation in arranging water services

The term water services refers to the acquisition of water or the conveyance, treatment and delivery of household water as well as sewerage or the disposal and treatment of wastewater, rainwater and drainage water from foundations. Under the Water Services Act, responsibility for water services belongs to local authorities, water supply plants and property owners or occupants. However, the state also participates in water services by granting aid for community water service measures (water service aid) and by conducting or commissioning state water service work. In 2001 about 14.7 million euros in budget funds was spent on water service aid and state water service work. The Ministry of Agriculture and Forestry and the Ministry of the Environment are responsible for administration in this area, along with the regional environment centres which are under their result management.

The purpose of the present audit was to evaluate the expediency of the state's participation in arranging water services. The main question was what are the grounds for the state's participation in water services, when legislation gives other actors responsibility for water services. The audit was based on interviews and written materials, a key part of which consisted of project documents concerning water service aid in 2001 and project reports concerning state water service work begun in 2001 which were selected at random at four environment centres.

With regard to both water service aid and state water service work, legislation specifies certain conditions for the state's participation in support for water service projects. The law leaves room for discretion in individual cases, however. The audit indicated that the regional environment centres do not systematically study the financial, health and social reasons which are the statutory preconditions for granting water service aid but automatically assume that they exist when an application is made for water service aid. The reason for this is partly the lack of suitable evaluation means and resources.

Some of the regional environment centres would like further instructions from the ministries concerning the granting of aid. Water service aid is now granted by the environment centres to most applicants, but because of inadequate funds, applicants generally receive only a portion of the amount they ask for. Environment centres in different parts of the country have also adopted different policies with regard to water service aid.

The audit indicated that the regional environment centres do not give grounds for granting water service aid in decisions. The Administrative Procedure Act emphasizes the obligation to give grounds for decisions, however. It is especially important to give grounds for decisions if the

applicant is granted only part of the amount which has been requested. Aside from the applicant's legal security, the presentation of grounds is important for the openness of the process.

All but one of the project reports concerning state water service work which were included in the audit contained grounds for water service projects, but these were only operational. They did not explain why the state should participate in projects. The grounds presented in project reports met statutory requirements but the preconditions for state water service work are so loose that every project can easily meet at least one of the requirement conditions.

The regional environment centres consider all water service projects important and worth supporting. Support for water services lacks a clear view of why and in what situations the state should participate in the arranging of water services. The lack of a clear aid strategy is reflected in the granting of aid to nearly every project for which an application is submitted and in the environment centres' need to receive further instructions concerning the granting of aid. The redirection of state support for water services should be considered.