Management of the housing and utilities sector in small municipal districts

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Abstract. The article deals with the issue of management of the housing and utilities sector in small municipalities, trends in the development of housing and communal services at the regional and municipal levels. It analyzes the literature on the research issue, presents problems of the housing and utilities sector, and analyzes the issues of wear of fixed assets in the housing and utilities sector. It assesses fixed asset renewal activities in the industry, identifies problems and determines development trends for the stagnant state of the housing and utilities sector in small municipalities.

In modern conditions, the housing and utilities sector is a combination of social and economic relations providing the population with the engineering infrastructure. The industry is multifunctional. It involves production of various types of energy and resources and provision of housing and utilities services [1, p. 201].

Previously, the housing and utilities sector was regulated by the government represented by municipal bodies. During the period of economic restructuring, the municipal bodies partially transferred engineering networks to private companies. It has caused physical and moral depreciation of equipment in this industry.

According to statistics for the end of 2018, about 50% of fixed assets in the housing and utilities sector are obsolete, which causes up to 25% of losses of the supplied resources (Figure 1)
Figure 1. The degree of wear of fixed assets in the housing and utilities sector for the end of 2018. [3, p. 26]

Municipal bodies have not created mechanisms for interacting with the population in the housing and utilities sector. In turn, the literacy of the population is critically low. The solution to this problem is of temporary nature, and does not develop into full-fledged partnerships [1, p. 202].

The main problems of small municipalities reflected in all reports of regional authorities in the field of housing and utilities services are low budget financing and wear of the material component of the housing and utilities sector. Municipal bodies and private investors are trying to solve problems caused by worn out networks and create public-private partnerships. However, these are insignificant tools.

In Russia, the housing and utilities industry is unstable. One might even say that it is in a crisis. Zh. Kolycheva identified the following problems of the housing and utilities sector:

- the conflict between housing and utilities companies and consumers of services;
- high cost of utilities and their low quality;
- large debts of the population.

These problems are caused by social rather than economic factors. Since they are in the center of public attention and more politicized. Housing and communal services are one of the priority programs of the national socio-economic development. But the situation is getting worse. [2, p. 38].

Reformation of the housing and utilities sector was not efficient. Each round of reforms of the housing and communal services discarded the municipal bodies to the initial stage. For example, according to the results of the reforms, the system for providing benefits for certain categories of citizens is inefficient.

The regional authorities should deal with the issues of transforming the housing and utilities sector, form the regional budgets taking into account the individual approach to each municipality, and make decisions at the federal level level in order to create conditions for the long-term systemic development of the housing and utilities industry.

The housing and utilities sector requires new solutions that allow the monetization of costs and improvement of the quality of utilities services. The effective mechanisms of socio-economic development can be created by combining efforts of all participants and users of the housing and utilities sector. One of the tools to attract private investors in the housing sector is improvement of the investment attractiveness by providing benefits.
According to the report of the Ministry of Regional Development of the Russian Federation “On measures aimed to improve quality of housing and utilities services”, the coefficient of renewal of fixed assets was 8.2% of available fixed assets, the capital consumption ratio was 0.4%, and the share of completely worn-out fixed assets was 14.1%. (Figure 2)

Thus, small municipalities have to eliminate worn out fixed assets in the housing and utilities sector, bringing budgets to the pre-bankrupt level.

As a result of the analysis of activities of the municipal bodies in the housing and utilities sector, the following provisions can be formulated:

- it is necessary to control the housing and utilities sector; at least two interested parties are required (municipal authorities-management companies, municipal authorities-the population);
- it is necessary to create councils of apartment buildings (ABs), neighboring communities, housing cooperatives, local communities, and hold courses aimed at improving housing literacy of the population;
- it is necessary to ensure financial influences of private investors and budget financing, increase production potential of the industry, eliminate wear of the material base, hire efficient and competent specialists;
- it is necessary to update technical documents on engineering networks, housing cooperatives, buildings, structures; to carry out technical inventories and their digitization;
- it is necessary to implement such technologies as “Smart City”, “Smart Village”, “Smart Community”;
- it is necessary to establish responsibility for effective control of companies providing housing and utilities services.

The system analysis in planning and forecasting activities of municipalities will make it possible to improve the efficiency of housing and utilities sector management and development. The main goal of the ongoing reforms and transformations is sustainable development of the quality of housing services, and improvement of living conditions of the population in their houses and apartments, rational and energy-efficient consumption of resources.

![Figure 2. The movement of fixed assets in the housing and utilities sector [3, p. 26-27]](image-url)
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