

## **FEATURES OF GOVERNANCE INVESTMENT-BUILDING COMPLEX AT REGIONAL LEVELS**

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### **INTRODUCTION**

Management of any system is known to play a decisive role in the effectiveness of its functioning. The only national economic complex in our country was formed in the 1960's, when the management system of construction was based on the territorial-branch principle. The whole set of construction companies were managed by all-union, union republican and republican building ministries and subordinated main territorial-building managements, combines. Industrial and housing construction was carried out by the Ministry of Construction of the Heavy Industry of the USSR, the Ministry of Industrial Construction of the USSR, and the Ministry of Construction of the USSR. Construction of transport constructions was entrusted to the Ministry of Transport Construction. Rural construction was carried out by the Union-Republican Ministry of Rural Construction. A special role was played by the Union-Republican Ministry of Buildings and Special Construction Work of the USSR, which acted against other ministries as a subcontractor for the installation of technological equipment, electrical engineering, sanitary and technical equipment, control instruments, automation equipment, complex building structures and constructions. Construction of gas and oil pipelines was carried out by the All-Union Ministry of Construction of Enterprises of the Oil and Gas Industry. The Ministry of Energy and Electrification of the USSR carried out both the construction and operation of power plants, power lines, and the like. The Ministry of Land Reclamation and Water Management of the USSR carried out construction and operation of water management constructions. The Ministry of Coal Industry of the USSR led the construction and operation of the coal industry. In the largest cities, first in Moscow and Leningrad, and then in Kiev and Sverdlovsk, housing management was mainly carried out by the main departments that were subordinated to the city executive authorities. With the elimination of the planned centralized management system for the development of the

national economy, and especially as a result of the privatization process, the former organizational forms of management in the construction complex virtually disappeared.

In today's market economy, institutions of private property and capital, private entrepreneurial sector and entrepreneur as its main actor play an important role. The general economic conditions of the functioning of construction as a branch of material production have changed significantly. Construction companies that have survived in the period since 1992 and new enterprises are objectively put in a condition where it is vital for them to search for their niche in the relevant markets. The objective starting conditions for the formation of these markets, conditioned by the current and projected general economic situation, can be considered: the creation of a multi-faceted economy based on the diversity of ownership forms on the means of production; the multiplicity of sources of capital investments, which include the public sector (state budget), the municipal sector, banking and financial structures (including, in the future, insurance and pension funds); corporate sector (including corporate and private capital); mixed and foreign capital, means of the population; the refusal of the state from the policy of complete industrial and social paternalism, which provides for the financing of industrial construction and construction of social facilities; formation of markets of construction products and industry of building materials and constructions; the emergence in domestic markets of foreign producers, which have a higher competitiveness than domestic producers.

### **1. Objective macroeconomic conditions for the formation of regional investment and construction complexes**

Objective macroeconomic conditions of the formation of regional investment and construction complexes are characterized by essentially a significant spatial differentiation of the general economic conditions of start-up conditions and potential of development of construction business and, accordingly, of regional markets for construction and industry of building materials and constructions.

Formation of regional investment and construction complexes to a large extent depends on the degree of concentration of capital in the regions, natural and economic and geographical factors (the availability of mineral resources, geopolitical position, level of economic development of

the region etc.), the level of development of engineering and social and domestic infrastructures and many others factors.

A fundamental feature of the construction products is its territorial integrity, which gives any research in the field of construction a clearly expressed regional aspect. Another fundamental feature of construction – its role in the process of economic reproduction: ensuring an expanded reproduction of fixed assets with the effective use of capital investments (investments). From the technological point of view, the investment and construction complex objectively exists in any form of management or regulation of the economy.

The territorial attachment of the final construction product, the distribution of the raw material base, the inexpediency of transportation of raw materials and structures at greater distances, as a rule, limit the acts of sale between construction organizations of the construction industry local territories with rather narrow boundaries<sup>1</sup>.

Functional purpose of the regional building complex is the creation of a material base that provides conditions for the socio-economic reproduction of the region by converting the money form of investment into specific objects of production and non-production purposes in its territory. In this sense, the regional construction complex materializes the result of the economic regional complex in the form of production and non-productive accumulation. Thus, on the one hand, the conditions of operation and development of the regional investment and construction complex act as a derivative of the efficiency of the regional economy. On the other hand, the investment and construction complex itself creates conditions for the efficient functioning of regional production and consumption systems<sup>2</sup>.

To adapt the investment and construction complex to a difficult economic situation, new approaches to its organization and management are needed.

In the pre-reform period, the governing bodies of the regional investment and construction complex were: the Main Department of Capital Construction; Main planning and architectural management; Technical management etc. All of the aforementioned major departments were members of the Executive Committee.

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<sup>1</sup> Карапузов Є.К., Соха В.Г., Остапченко Т.Є. Матеріали і технології в сучасному будівництві : Підручник. Київ : Вища. освіта, 2005. 495 с.

<sup>2</sup> Панибратов Ю.П., Барановская Н.И., Асташенков В.П. Развитие регионального строительного комплекса в условиях рынка. *Иzv. вузов. Стр-во.* 1997. № 10. С. 23–27.

With the beginning of the transformation of the national economy (May 1992), began to form investment committees, the main task of which is the formation of market relations in regional investment and construction complexes.

The main tasks of the investment committee were reduced to the following<sup>3</sup>: formation together with other committees of the investment policy of the municipality. Preparation of the decisions of the city council of people's deputies and the instructions of the mayor for realization of perspective and current tasks in the field of capital construction and reconstruction in the city; development of proposals for attracting investments for further investment, construction and reconstruction; development of proposals for the formation of a municipal order for the construction and reconstruction of objects of communal services, housing and cultural and household purposes; formation of targeted programs of construction and reconstruction of objects located on the territory, subordinate to the city hall; ensuring the effective use of land allocated for the period of construction and reconstruction; ensuring effective use of material resources for the execution of social programs of the city hall in the field of capital construction and reconstruction; provision of high technical level and quality of housing construction; creation of economic conditions and regulators for the effective realization of the municipal order for the construction and reconstruction of objects of communal economy, housing and cultural and household purposes; coordination and management of companies of the investment and construction complex in the implementation of social programs of the municipality in the field of capital construction and reconstruction of communal facilities, residential cultural and domestic purposes, development of the necessary management decisions; coordination of programs of development of contracting firms and organizations of the building industry for balancing their capacities.

Public administration of the investment and construction complex is carried out within the framework of a single industrial system, taking into account the national interests, interests of regions and local governments, which is connected with the delimitation of state property (for the state and municipal) and the consolidation of the objects of the building complex for

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<sup>3</sup> Покрытан А. Рыночная трансформація і проблеми пріоритетів в економіці України. *Економіка України*. 1997. №12. С. 18–27.

local self-government bodies, and housing and communal services. In today's economic conditions, the relevant public administration bodies implement their functions mainly through coordination, permitting, control and supervisory powers.

The management of the investment and construction complex covers the implementation of a unified technical policy in the field, planning and development of organizational and legal principles of design and construction, their logistical and financial support, rationing, work with personnel, organization of safety and labor protection, quality improvement measures architectural and construction works, control over the observance of construction rules, norms and standards etc<sup>4</sup>.

The main tasks of management of the investment and construction complex in modern conditions is a radical change in investment policy, a significant reduction in the number of simultaneously constructed objects, a significant reduction in the level of unfinished construction, the development of small and medium-sized settlements.

The central body of state administration of the investment and construction complex is the State Committee for Construction, Architecture and Housing Policy of Ukraine (hereinafter – the State Enterprise of Ukraine), which operates on the basis of the Regulation on it.

The State Construction Committee of Ukraine is the central executive body that participates in the formation of the state housing policy, state scientific and technical and economic policy in the field of urban development, construction and utilities and ensures its implementation.

The main tasks of the State Construction Committee of Ukraine are: to ensure the implementation of reforms in the subordinate sectors of the economy; providing them with the development and implementation of energy and resource conservation measures; introduction of environmentally sound technologies; implementation of measures for integrated planning of territories, improvement of architectural and planning and engineering-technical level of development of settlements, buildings and structures; implementation of measures to increase the technical and economic level of the construction industry and construction materials industry, housing and communal services and urban electric transport; organization of work on standardization, etc.

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<sup>4</sup> Поважний А.С. Трансформационные процессы корпоративного управления. Донецк : ИЭП НАН Украины, 2001. 290 с.

In accordance with the tasks entrusted to it, the State Construction Committee of Ukraine: provides for the development, approval, publication and control of compliance with state standards, norms and rules; Participates in the development, approval and implementation of city-planning documentation; carries out coordination and normative-methodical support of activity of local bodies of city-planning and architecture, capital construction, housing and communal services, inspections of state architectural-building control, bureau of technical inventory, etc.; Participates in the development and implementation of measures aimed at economic reforms, demonopolization, privatization in the industry, provision of post-privatization support to privatized enterprises; issues special permits (licenses) for carrying out certain types of business activity; carries out, in accordance with the legislation of Ukraine, the functions of management of state-owned objects belonging to the sphere of its competence<sup>5</sup>.

For the successful implementation of the tasks and functions entrusted to him, the State Construction Committee of Ukraine has been given quite wide powers regarding the organizational support of the work. He has the right: to receive from other central and local executive bodies, local authorities information, documents and materials necessary for the performance of tasks assigned to him, to convene a meeting in accordance with the established procedure on matters within his competence; to involve specialists of central and other executive authorities, enterprises, institutions, organizations, in agreement with their leaders, to consider issues that fall within its competence; to bring disciplinary responsibility of the heads of enterprises, institutions and organizations belonging to the sphere of its competence.

State Building Committee of Ukraine within the limits of its powers on the basis of and on the basis of legislative acts issues orders, organizes and systematically monitors their implementation; generalizes the practice of applying legislation on issues that fall within its competence; develops proposals for its improvement and, in the prescribed manner, submits them for consideration to the President of Ukraine and the Cabinet of Ministers of Ukraine.

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<sup>5</sup> Асаул А.Н., Грахов В.П. Принципы формирования интегративного управления в инвестиционно-строительном комплексе. *Вісн. Хмельниц. нац. ун-ту. Екон. науки.* 2005. №3. Т.1. С. 15–21.

The management of the investment and construction complex on the ground is entrusted to the relevant departments and departments of local state administrations. Thus, at regional state administrations there is a department of city planning and architecture, management of housing and communal services and capital construction management, and in rayon state administrations the functions of management are provided by departments of city planning, architecture and housing and communal services. These bodies are formed and act in accordance with the provisions approved by the Cabinet of Ministers of Ukraine. They carry out the management of the areas of construction and housing and communal services which they have been handed over to, they are responsible for their development within the territory under their jurisdiction, coordinate the activities of enterprises, institutions and organizations belonging to the sphere of management of the relevant local state administration.

The State Construction Department of Ukraine directs and coordinates the activities of local executive bodies in the field of construction and housing and communal services, as well as assists local self-government bodies – the councils and their executive bodies in exercising their powers in the subordinate branch.

Reforming the investment and construction complex requires not only the coordination of the efforts of many ministries and departments, but also the transfer of the center of gravity of the implementation of problems on the ground. In this regard, the activities of local self-government bodies, which have significant powers in the field of housing and communal services and construction, are of great importance.

According to the Law of Ukraine “On Local Self-Government in Ukraine”, local self-government bodies have the following self-governing powers in the area of housing and communal services: management of housing and communal services located in the communal property of the respective territorial communities, ensuring their proper maintenance and efficient operation; registration of citizens who, in accordance with the legislation, need improvement of housing conditions; assistance in the expansion of housing construction, provision of citizens in need of housing, assistance in housing construction, loans and subsidies for the construction or purchase of housing; Assistance to owners of apartments (houses) in their maintenance and repair;

registration of housing construction and garage cooperatives and associations of co-owners of multi-apartment buildings; organization of improvement of settlements, etc.

Along with their own powers, local self-government bodies have delegated their authority in the sphere of housing and communal services. Among the main ones, it should be mentioned: implementation in accordance with the legislation of control over the proper operation and organization of maintenance of population by enterprises of housing and communal services; accounting in accordance with the law of the housing stock, exercising control over its use; control over the condition of apartment registration and compliance with housing legislation at enterprises, institutions and organizations located in the respective territory, regardless of ownership; issuance of warrants for the settlement of residential space in the houses of state and communal organizations; registration and registration in accordance with the law of immovable property, regardless of ownership<sup>6</sup>.

In the construction sector, local self-government bodies have both own and delegated powers. Among their core competencies are the following: organization at the expense of own funds and on a parity basis of construction, reconstruction and repair of objects of communal services and social and cultural purposes, residential buildings, as well as local roads; consideration and submission to the relevant executive bodies of proposals on plans and programs for the construction and reconstruction of objects on the territory; preparation and approval of the corresponding local urban planning programs, general plans for the development of settlements, and other city-planning documentation; coordination on the territory of activity of the subjects of city-planning for integrated development of settlements; granting of permission in accordance with the legislation for the construction of urban development objects, regardless of the forms of ownership.

To the delegated authority of local self-government, legislation refers to the organization of work related to the creation and maintenance of a city-planning cadastre of settlements: the acceptance into operation of completed objects construction; implementation in the established procedure of state control over observance of the legislation, provisions of

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<sup>6</sup> Закон України «Про місцеве самоврядування в Україні» від 21.05.1997 р. №280/97-ВР. *Відомості Верховної Ради України*. 1997. №24. Ст. 170.



the approved urban planning documentation; settlement in accordance with the legislation of disputes on urban planning, etc.

One of the main functions of the State Building Committee of Ukraine and its local authorities is the organization and provision of state architectural and construction control and control over the technical condition of the housing stock and objects of communal use, regardless of ownership.

State architectural and building control is a set of organizational, technical and legal measures aimed at ensuring compliance with legislation, state standards, norms and rules, architectural requirements and technical conditions, as well as provisions of approved urban planning documentation and projects of specific objects, local building regulations settlements by all subjects of town-planning activity. Its implementation is one of the factors of improvement of the quality of construction, maintenance of operational reliability of buildings and structures, protection of the rights of consumers of construction products.

Directly state architectural and construction control is carried out by the State Architectural and Construction Inspectorate as part of the State Construction Committee of Ukraine and the State Architectural and Construction Control Inspectorate as part of the local city planning and architecture bodies.

Inspections of state architectural and building control give developers permits for construction, reconstruction, restoration and overhaul works; participate in the work of commissions on the acceptance into operation of completed construction of objects, as well as in investigating the causes of accidents in construction; carry out random checks; consider cases of offenses in the field of urban planning; analyze and generalize control materials; prepare proposals to the relevant authorities on the improvement of state standards, norms and rules.

Officials of inspections have the right: to freely enter the construction of objects and enterprises that produce construction materials, products and structures, regardless of ownership; to stop construction works that do not meet the requirements of legislation, state standards, norms and rules or are carried out without permission for their execution; make a submission to the relevant authorities on the cancellation or suspension of the license for the right to carry out special types of works in the design and construction;

draw up protocols on misdemeanors in the field of urban planning and impose fines in accordance with the current legislation.

The control over the technical condition of the housing stock and objects of communal destination is carried out by officials of the departments and departments of housing and communal services of local state administrations and local self-government bodies. They have the right: to conduct inspections and inspections of controlled objects; Give instructions to owners and users about eliminating violations found; make suggestions on bringing the perpetrators to administrative liability, etc.

In order to strengthen the control over the technical condition of urban electric transport in the State Construction Committee of Ukraine, the State Technical Inspection, as well as state regional technical inspections in cities, have been established and are in operation. Through constant state control over the technical condition of urban electric transport, officials of these inspections have the right to apply both administrative and preventive measures and measures of administrative termination.

## **2. Improving methodological approaches to the development strategies of investment-building complex**

Ensuring the consideration of public interests (society in general, state, territorial communities, economic competition) and the typical private interests of participants in these relations (if these interests are legitimate) is carried out by the state as the organizer of economic life in the country. The state uses various forms and means at the same time. As in other spheres of the economy, the state uses the following forms of management in the field of capital construction: regulatory regulation; planning (first of all, regarding the activities of economic relations entities, which operate on a state ownership or are controlled by the state on behalf of the authorized bodies, and / or financing of investment projects of construction at the expense of state funds, loans received under the guarantee of the Government of Ukraine); management of current affairs in the field of capital construction (licensing; granting permits related to the construction of objects; providing state expertise of investment projects of construction, etc.); control over observance by the participants of investment activity of the requirements established by the state in the field of capital construction.

Planning (in respect of the mentioned cases) is carried out by the Government of Ukraine, public authorities and management of the AR of Crimea, economic ministries / departments, state economic associations, etc. Current developments in capital construction are largely provided by the Ministry of Regional Development, Construction and Housing and Communal Services of Ukraine.

The main tasks of the Ministry in the field of capital construction are: participation in the formation and implementation of state policy in the field of construction, urban planning and construction materials industry; management, coordination and regulation in the given field; technical regulation in the field of construction, urban development, construction materials industry.

Ministry in accordance with the tasks assigned to it:

- develops and submits proposals to the Cabinet of Ministers of Ukraine on the formulation of state policy in the field of construction, urban planning, architecture and construction materials industry;

- takes part in the elaboration of the Program of Activities of the Cabinet of Ministers of Ukraine, the State Program of Economic and Social Development of Ukraine, the State Budget of Ukraine for the relevant year, and ensures the development and implementation of other state and programs;

- develops and submits, in accordance with established procedure, draft regulatory and legal acts in the field of construction, urban planning, architecture and building materials industry, environmental protection during construction;

- develops and approves, within the limits of its authority, state standards, norms and rules;

- ensures and coordinates scientific research (research and development works) in the field of construction, urban planning, architecture and building materials industry (including issues of standardization, standardization, metrology, codification and cataloging, confirmation compliance), as well as on the preservation of historical habitats and the traditional character of the environment of populated places, architectural monuments and urban planning;

- takes measures for implementation of the General scheme of planning of the territory of Ukraine, improvement of the architectural and planning and engineering and technical level of development and

improvement, development of engineering and transport infrastructure of settlements;

- develops and approves typical regional rules of development, coordinates regional rules of development of the Autonomous Republic of Crimea, regions, organizes the examination of territorial planning schemes (except for district planning schemes), general plans of cities of Kyiv, Sevastopol and regional centers;

- determines the methodology of designing objects of housing and civil engineering purposes and industrial objects, engineering structures, systems of engineering equipment of buildings and structures, as well as reconstruction and adaptation of objects for other purposes;

- determines the procedure for the development and approval of urban planning documentation, projects for the construction of urban development objects and the procedure for organizing and conducting their experimental construction;

- organizes work on conducting professional certification of the performers of works related to the creation of architectural objects;

- provides normative and methodological support for the design, construction and operation of objects in complex engineering and geological conditions, as well as the development and improvement of methods and means of engineering protection of territories, buildings and structures from the influence of dangerous processes of man-made and natural character;

- provides within its authority normative, scientific and technical and expert support of construction works at the Shelter and other facilities of the Chernobyl Nuclear Power Plant;

- carries out architectural and construction control, state control over planning, building and other use of territories;

- organizes work related to the preservation, protection, accounting, use and restoration of monuments of architecture and urban development, as well as the area of historical building;

- participates in the work connected with the inclusion of objects of architecture and urban planning, landscape gardening and monumental art, as well as landscape monuments to the State Register of real estates of Ukraine;

- carries out in accordance with the legislation control over the execution of works related to research, conservation, rehabilitation, restoration, repair and of architectural monuments and urban development;
- participates in the preparation of cultural heritage objects for inclusion in the World Heritage List;
- develops and submits, in accordance with the established procedure, proposals on the designation of conformity assessment bodies for conformity assessment work in the field of construction, urban development and construction materials industry;
- establish in accordance with the legislation the procedure for recognizing the results of tests, including new materials;
- ensures comprehensive state appraisal of investment programs, projects of construction and examination of city-planning documentation;
- determines the procedure for confirming the suitability of new construction products for use in construction, organizes its implementation and issues a technical certificate;
- controls the compliance of the participants with the investment activity in the construction of the requirements of normative documents on the calculation of the cost of construction of objects constructed with the attraction of funds from the state and local budgets, as well as funds of state enterprises, institutions and organizations;
- prepares, on instructions of the Cabinet of Ministers of Ukraine, expert opinions on technical solutions and cost indicators, which confirm the necessity of works that are planned to be carried out at the expense of the state budget reserve fund;
- carries out normative and methodical maintenance of the maintenance of city-planning cadastres of settlements;
- controls the activity of state building corporations in accordance with the law;
- carries out normative and methodical support of activity of controlled and accountable structural subdivisions of local state administrations, bodies of local self-government, enterprises, institutions and organizations belonging to its sphere of management;
- takes measures for the development of economic competition;
- carries out, in accordance with the legislation of licensing of the corresponding types of economic activity, and control over compliance with licensing conditions;

- organizes work on training, retraining and advanced training of workers in the field of construction;
- carries out, in accordance with the legislation, the management of state-owned objects belonging to the sphere of its management;
- carries out, within the limits of its authority, the control over the state of labor protection at the enterprises belonging to the sphere of its management;
- performs other functions arising from the tasks assigned to it.

Ministry issues within its powers and in accordance with the law orders, organizes and controls their implementation; regulatory acts of the Ministry of Regional Development shall be subject to registration in accordance with the procedure established by law; Ministry, if necessary, collects joint acts together with other central executive bodies.

One of the means of state regulation, which is covered by the concept of managing current affairs as a form of state regulation, is the state examination of investment construction projects.

The investor is obliged to obtain a positive conclusion of the state examination on compliance with the existing standards on sanitary and epidemiological well-being of the population, ecology, labor protection, energy saving, fire safety, durability, reliability and necessary durability of buildings and structures in the investment programs and projects, as well as architectural requirements, with the exception of objects of civil and industrial purpose, for approval of construction projects which the complex conclusion of the state examination is not obligatory.

Programs and projects of construction, regardless of sources of funding, are subject to mandatory comprehensive state expertise (except for projects for the construction of objects, for approval of which, according to the legislation, the conclusion of a comprehensive state examination is optional).

In the process of complex state expertise, the state of observance of the standards of reliability, reliability and durability of buildings and structures, their operational safety and engineering, sanitary and epidemiological well-being of the population, labor protection, energy saving and energy efficiency and fire safety, as well as performance of architectural requirements. Relevant conclusions are integral parts of the conclusion of a comprehensive state examination.

According to all programs and projects approved by the Cabinet of Ministers of Ukraine, a comprehensive state examination is provided by the Central Service of Ministry of Regional Development (Central Service), and other projects, as well as its local units.

The rules for carrying out a comprehensive state examination of programs and projects are approved by the Ministry of Regional Development and Local Government, in agreement with the central executive authorities, whose powers include the conduct of such expertise.

Complex state examination is carried out on a contractual basis. The investor (customer) must submit to the Central Service of the Expertise or its local unit the documentation provided for by the state building codes<sup>7</sup>.

The cost of carrying out a comprehensive state appraisal of programs in full amount is determined in the amount that does not exceed 10 percent of the cost of developing the program. The procedure for determining the value of a complex state examination of projects is established by the Cabinet of Ministers of Ukraine.

The general deadline for conducting a comprehensive state examination should not exceed 45 calendar days, including 40 days – preparation of conclusions on selected areas (durability, reliability, durability of buildings and structures, architectural requirements, sanitary and epidemiological well-being of the population, labor protection and protection of the environment ( regarding objects that constitute an increased environmental hazard), energy saving, fire and technological safety, etc.). In cases stipulated by the Law of Ukraine “On Environmental Expertise”, the total period of conducting a comprehensive state examination is set up to 120 calendar days. The conclusion of a comprehensive state examination may be: positive (recommendation for approval of a program or a construction project with indication of the relevant technical and economic indicators); such conclusion is approved by the head of the Central Service of the Expertise or its local unit and is valid during the period of validity of the technical specifications and the architectural and planning task; negative (comments on the revision of the program or construction project or the justification for the impossibility of implementation).

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<sup>7</sup> Закон України «Про державне прогнозування та розроблення програм економічного і соціального розвитку України» від 23 березня 2000 року. *Відомості Верховної Ради України*. 2000. № 25. С. 195.

Programs and projects (with the exception of the projects, for approval of which the complex conclusion of the state examination is optional) on the basis of a positive conclusion of the Expertise Ministry of Regional Development or its local unit are approved (reproved) by the investor or an authorized body (person).

In accordance with the Regulation on the State Architectural and Construction Inspection: The State Architectural and Construction Inspection (State Architectural Inspection) is a government agency of state administration that acts as a part of the Ministry and is subject to it.

The main tasks of the State Architectural Inspection: participation in the formation and implementation of state policy in the field of architecture and construction; implementation of state supervision and control in the field of architecture and construction (hereinafter – architectural and construction control).

State Architectural Inspection in accordance with the tasks entrusted to it:

- develops and submits to the Ministry: proposals on the formation of state policy in the field of architecture and construction, improvement of legislation on the implementation of architectural and construction control; draft regulatory and legal acts on the implementation of architectural and construction control;

- organizes and ensures the implementation of regulatory legal acts on matters that fall within its competence;

- develops and approves organizational and methodical documents on the issues of implementation of architectural and construction control, other issues that fall within its competence, organizes and ensures their implementation;

- carries out methodical and normative maintenance of activity of inspections of state architectural and building control in the structure of bodies of city-planning and architecture in the Autonomous Republic of Crimea, regions, districts, cities of Kyiv and Sevastopol, cities of regional submission;

- issues a permit in accordance with the established procedure for the construction, reconstruction, restoration and major repair of the objects (hereinafter – construction works), registers the objects on which such works are performed (hereinafter – construction objects);



- participates in the work of commissions on the acceptance into operation of completed construction of objects, as well as in investigating the causes of accidents in the construction industry;

- Carries out the verification: compliance of construction works, building materials, products and structures with the requirements of state standards, construction norms and rules, technical specifications, approved design decisions; timeliness and quality of carrying out of the prescribed, normative and technical and project documentation of filming, measuring, testing, and also keeping of works logs, passports, certificates and other documentation; presence in the executor of construction works in the cases provided by legislation certificates for building materials, products and structures; adherence to the established procedure for acceptance into operation of the objects completed by construction;

- considers the issue of violations in the field of urban planning with the adoption of appropriate decisions;

- Carries out methodical maintenance of activity of control services of building organizations and the enterprises which manufacture building materials, products and constructions;

- conducts analysis and generalization of the results of control over the quality of the executed construction works, building materials, products and structures, develops and submits proposals to the relevant bodies on the improvement of state standards, construction norms and rules;

- carries out, in the cases provided for by law, control over observance by the parties of obligations under the contract for the execution of construction works, analyzes and summarizes the results of control and informs them about the Ministry;

- provides study and implementation in practice of the achievements of domestic and foreign science and technology on architectural and construction control;

- carries out informational activity, provides coverage of topical problems of architectural and construction control in the mass media.

The State Architectural Inspection is entitled to:

- in the cases established by law, carry out an inspection of construction objects and enterprises producing building materials, products and structures, regardless of the form of ownership regarding compliance with the requirements of legislation on matters that fall within its competence;

– to receive, in accordance with the procedure established by law, information from bodies of executive power, bodies of local self-government, enterprises, institutions and organizations which is necessary for the fulfillment of the tasks entrusted to them;

– convene a meeting in accordance with the established procedure on matters within its competence;

– involve specialists of executive bodies, enterprises, institutions and organizations (in consultation with their leaders) to consider issues that fall within its competence;

– to give within its authority to customers, design and construction organizations, enterprises that produce building materials, products and structures, which are obligatory for compliance with the requirements for elimination of violations of the requirements of legislation, state standards, construction norms and rules, technical specifications, approved design decisions, local rules of development of settlements; To make proposals to customers for the termination of financing of construction objects for the period before elimination of defects found as a result of the implementation of architectural and construction control;

– involve independent experts and specialized organizations for carrying out inspections and preparing opinions on matters within their competence;

– to demand, in cases stipulated by law, from customers, contractors, enterprises that produce building materials, products and structures, selective disclosure of certain structural elements of buildings and structures, surveys and measurements, additional laboratory and other tests of building materials, products and structures;

– to receive from customers, design and construction organizations and enterprises that produce building materials, products and constructions, normative-technical, project and other documentation necessary for the performance of their functions;

– to stop construction works that do not meet the requirements of legislation, state standards, norms and rules, technical conditions approved by the design decision, local rules for the development of settlements or carried out without permission for their implementation, as well as the production and application in construction of building materials, products and structures constructed in violation of the requirements of state standards; to receive from customers, design and construction

organizations and enterprises that produce building materials, products and structures, written explanations on the reasons for the assumption of violations;

- to submit to the licensing bodies proposals for cancellation of economic entities that admit violations of the requirements of legislation, state standards, construction norms and rules, technical specifications, approved design decisions, local rules of building settlements, licenses for the right to conduct certain types of economic activity in construction ;

- to receive from customers, construction organizations and enterprises that produce building materials, products and structures, as well as state statistics data on the introduction of fixed assets, the sale of finished products;

- to inform the state statistics bodies of the violations of the established procedure for the acceptance and operation of the objects completed by construction, as well as on the implementation of construction materials, products and structures that do not meet the requirements of state standards;

- to cancel the decisions taken by the inspectorates in violation of the norms of legislation;

- draw up protocols on offenses in the field of urban planning and impose fines in accordance with the legislation;

- transfer to the organs of the prosecutor's office, the bodies of inquiry and pre-trial investigation acts of inspections and other materials on the acts in which the signs of the crime are seen.

State architectural and construction control is a set of organizational, technical and legal measures aimed at ensuring compliance with legislation, state standards, norms and rules, architectural requirements and specifications, as well as provisions of approved urban planning documentation and projects of specific objects (hereinafter – approved design decisions), local rules of development of settlements by all subjects of city-planning activity, regardless of ownership forms during the development of territories and settlements, accommodation, construction, reconstruction, repair of housing and civil and industrial and other purposes, restoration of architectural monuments of engineering and transport infrastructure, construction materials, products and structures.

## **CONCLUSIONS**

The links between the participants in the regional investment and construction complex are based on the relations of production with regard to the creation of the final construction products. Regulatory influence of local governments on the regional investment and construction complex is manifested through: a set of state and regional legal acts regulating the economic behavior of market actors; a system of measures within the framework of the adopted regional industrial and social policy in relation to both the regional investment and construction complex as a whole, as well as to each concrete participant of the interaction; initiative development on a competitive basis of large projects in the field of development of regional production, tourism, transport and other complexes, as well as in the development of regional systems of life support and social programs; participation in the creation of regional financial and construction groups aimed at solving the problems of industrial and social development of the region as co-founders, by introducing such groups of funds and granting preferences in the authorized capital; financing of large construction projects of regional industrial and social development at the expense of regional and local budgets; provision of guarantees on targeted loans to regional FBG if their activities are aimed at solving regional problems; support in the area of accumulation of financial resources of financial and construction groups through the issue of municipal bonds. The list of concrete measures to support the development of the investment and construction complex by regional authorities can be continued. But here it should be emphasized that all these measures should be purely economic, but in no way administrative nature.

Implementation of the process of improving the organization of the system of public administration investment and construction complex must be carried out at the following stages: analysis, definition of goals and objectives of improving the organization of the public administration investment and construction complex, where the final document is a list of tasks and areas of improvement (further, in the course of the study, the list and the formulation of problems and requirements both to the system as a whole, and to its separate parts are specified); the second stage begins with the definition of goals and objectives, according to which the structure of the system must be built (the final document of this stage is a tree of goals

and objectives, which reflects the directions of activity on the levels and links of the management system with the details of the specific tasks of the structural units and individual employees); in the third stage the effectiveness is determined and the choice of an option close to the optimal is chosen based on criteria and indicators that reflect the efficiency and quality of the system's operation in terms of its stability, stability and flexibility, as well as the degree of compliance of the management system and its individual structural characteristics with the given level.

### **SUMMARY**

When forming a mechanism for managing housing construction, it is necessary to determine, first of all, the goals and objectives of creating such a mechanism. The purpose of development of housing sector is proposed to consider the achievement of some level of development of socio-economic mechanisms and structures in the housing and construction complex. The system of goals defines the requirements for the future state or the direction of its change. Tasks are solved by determining the optimal (and not the maximum) values of the effectiveness of those or other projects (strategies) to achieve one or another goal of the city development, in most cases, this improvement of housing conditions of the population. The methodical approaches to development of strategies of development of investment-building complex on the basis of indication of problems of state management of investment-building complex in the form of an ordered set of indicators are offered; identification of priority issues for solving problems, as well as promising problems, that is, brewing, which already make itself known, and expected, which may arise under certain conditions in the process of development of the system; formulating goals at all levels and adjusting them. The mechanism of determining the optimal combination of options for the development of individual elements of the system of state management investment-construction complex with the use of mathematical programming (with the composition, structure and regularities of operation are described by a technological matrix, where in aggregate investigated the possibility of changing the properties of each individual element), which will allow the power structures to use convenient in the implementation and from the standpoint of the analysis of results, the mechanism for determining managerial influences on the background alternatives elementary object, group functional strategies and assessing the costs and benefits of each of them.

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