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PECULIARITIES OF FORMATION OF THE REGIONAL BUDGET IN THE CONDITIONS OF DECENTRALIZATION (ON THE EXAMPLE OF THE CHERNIGIV REGION)

The article examines the formation of incomes of the regional budget of the Chernihiv region in the context of decentralization. The principles of formation of local budgets in Ukraine have been determined. Local budgets are an instrument of financial and economic regulation of the development of regions and the state as a whole. The reform of budgetary decentralization provided local governments with broader rights and new sources of financial resources, and together increased the financial viability and independence of the regions. The question of the problems of forming local budgets in the context of reforming remains relevant and necessary for further improving the quality of life of the population and the development of territorial units. The purpose of the article is to study and analyze the mechanism of formation of local budgets on the example of the regional budget of the Chernihiv region and the impact of the reform of budgetary decentralization on the efficiency of budget execution. The reform of budgetary decentralization is the main condition for the decentralization of power, the formation of an effective system of local finance and, most importantly, an effective organizational and economic means of state regulation of the regional development of the country.

The study of the issue related to the formation of local budgets and their development was carried out by Russian scientists A.A. Lisnichuk, A.V. Nechiporenko, I.V. Suprunova. Fiscal decentralization is needed for the financial independence of local self-government bodies and increasing the efficiency of solving problems that were transferred to the local (local) level, improving the provision of services and maximizing their approach to the population, and improving the management system. Also, without mobilizing these revenues to local budgets, local self-government bodies will not be able to fulfill their own powers delegated to them by the state.

The unification of territorial communities in the Chernihiv region has positive consequences for the management of local finances: the ability of local self-government to manage financial resources is growing; the number of administrative personnel of local councils and the volume of expenses for its maintenance are decreasing; the competition of settlements within the united territorial community is increasing; management decisions on the provision of more public services are made by the united territorial community. Also, when reforming fiscal decentralization, there are a number of problems that need to be addressed in order for the reform to be carried out as best as possible.

The unevenness of the formation of territorial communities in the region, different development of the regions caused a disproportion in the development of territorial communities, respectively, - the disproportionate development of the region, the difficult geopolitical position of the region create an unfavorable investment environment, which reduces the inflow of investments both in local
budgets and in the state. So, the reform of budgetary decentralization has been successfully and fully carried out, it serves to increase the financial potential of the regions, stimulate entrepreneurial activity, further strengthens economic potential and provides a basis for growth and development. To solve these problems, it would be advisable to carry out the following measures: improve the infrastructure of territorial communities; help to eliminate conflicts of interest on the ground; check the level of competence of local governments, as well as their legal and financial literacy.