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Models of participatory budgeting – the case study of Polish city

Abstract

Participatory budgeting as a tool of deliberative democracy is more and more popular in Polish cities. Literature review shows that there is no one the best procedure. Comparing with the typology of participatory budgeting based on European perspectives, the most of Polish cities has chosen model similar to *'Porto Alegre adapted for Europe'*. The weakest link of the Polish approach is to put too much efforts on the projects contest and much less on good-quality deliberation. The case study presented in the last part of the paper shows that each next edition of participatory budgeting contributes to raising awareness and better understanding of the urban development challenges and it should lead to changes the procedures from *voting approach* to *participatory governance* approach.

Keywords: participatory budgeting, collective action, deliberative methods, models.

JEL Classification: D72, H72, O38, R38, R51.

Introduction

Participatory budgeting emerged for the first time at the end of 1980s in the Brazilian city of Porto Alegre. Since then, both the principles and effects of this most famous example has been discussed many times (Sintomer, Herzberg, Rocke 2008; Baiocchi 2005; Avritzer 2006). During the last three decades the idea of participatory budgeting has spread to many places in the world. Therefore, there are more and more cities in Poland where participatory budgeting has been introduced. In 2013, more than 70 municipalities in Poland implemented this tool of democratic innovation (Kraszewski, Mojkowski 2014, p. 4).

Both the growing popularity of participatory budgeting and at the same time a very large diversity of approaches used by local communities leads to many research questions: Is participatory budgeting only a fashionable tool used by local governments to create a favourable impression on citizens, or it is more and more significant tool for local governance? Does participatory budgeting increase the effectiveness of investment decision and allocations of financial resources on local level? What are citizens motivations during the projects submission and voting process? Finally, which model of participatory budgeting is the best solution depending on citizens attitude towards local development? This paper is the attempt to answer all this questions. I start with discussion on models of participatory budgeting in Europe and then in more detail in Polish cities. This part of paper is based on literature review. Then I focus on the case study of Dabrowa Gornicza, city located in the south of Poland. I describe the evolution of procedure of participatory budgeting and try to show results and consequences. This method allows for identification the advantages and disadvantages of different approaches and helps to make recommendations to improve decision-making process within the framework of participatory budgeting.

1. Participatory budgeting models in Europe

Broadly speaking, participatory budgeting is a democratic process in which community members directly decide how to spend part of a public budget. Mostly, participatory budgeting is implemented at the municipality and city levels, however it could be also applied for counties, housing authorities, schools, etc. The main objective of participatory budgeting is the inclusion of non- elected citizens into city management process. There is the underlying assumption that the direct users of the city are the best experts to identify the needs of local community, which they are members. Then, using various deliberation forms, they are able to choose the best solution. Furthermore, this kind of activity should make a significant contribution to building and strengthening social ties. It should lead to creation of common ideas focusing on improving the quality of life, both in the neighbourhood and the whole city area.

It should be noticed, that the explosion of participatory budgeting initiatives is the part of the large change related to increasing importance of so-called ‘city movement’, which are formal, but more often informal group of people gathering in order to have greater impact on decisions taken by local government. This kind of movement articulate ‘right to the city’ – idea that was first proposed by H. Lefebvre (1968) and having some proponents as D. Harvey (2013) and K. Nawratek (2012).

Because different citizens participation in the budget allocation procedure exists, many authors give more precise definition of the process, by identifying the

key principles that must be met during participatory budgeting. They mention the following features (Kraszewski, Mojkowski 2014, p. 4; Sintomer, Herzberg, Rocke 2008, p. 168; Serzysko 2014, p. 6-7):

- decisions made by citizens are respected by local governments,
- the procedure of participatory budgeting is simple, transparent and understandable for most citizens,
- discussion should take place in the public forum – the selection of the projects should be the result not only voting, but mainly debate,
- the process should favor the inclusion of citizens, supporting their ideas and activities,
- participatory budgeting has to be a repeated process – strategic, long-term thinking should dominate during the decision-making process,
- the amount of money should be high enough in order to citizens can impact on changes in the city area.

Moreover, the important feature of participatory budgeting is the direct responsibility for governing the city space taken by citizens (Sintomer, Herzberg, Rocke 2008, p. 168; Kęblowski 2014, p. 9). It means that activities taken by citizens are not limited only to voting or accepting decisions of local government, but focusing on collective planning and management of urban commons. In this case, it is worth to use the research work of E. Ostrom (1990), who identified principles for common pool resources (CPR) institutions. It seems that, in particular three of them must be adopted during the participatory budgeting process:

- rules that are adapted to local conditions,
- collective-choice arrangements that allow most citizens to participate in the decision-making process,
- effective monitoring by bodies who are part of or accountable to the local society.

Adaptation to local conditions is the first and the most important principle, which determine the success of other rules. The local government should try not to impose the procedure of participatory budgeting. It is also a mistake to duplicate the solutions implemented in other cities. Participatory budgeting process should be developed by local communities having support of local governments and external experts. The factors that may shape the procedure of participatory budgeting are:

- strong cultural identity of local communities,
- activities of local NGOs and social mobilization,
- the importance of local leaders,
- level of spatial segregation, etc.

Sintomer, Herzberg, Rocke (2008) propose ideal-typical models of participatory budgeting, based on the empirical studies in European cities. Summary of their work are shown in Table 1.

Table 1. Typology of participatory budgeting in European cities

Principles	Models	Porto Alegre adapted for Europe	Participation of organized interests	Community funds at local and city level	The public/private negotiating table	Proximity participation	Consultation on public finances
Participants		Individual citizens	NGOs, unions, associations, etc.	The committee or assembly of delegates	The committee or assembly of delegates	Individual citizens. In some cases participants are chosen on the basis of random selection	Individual citizens
Scope of subjects		Concrete investments and projects	Broad political guidelines	Investment priorities	Investment priorities	Mostly involves neighborhoods and relates to investments at this level. At the city level model deal with general policy goals	Balancing the budget deficits. No direct relation to social problems, etc.
Decisions		Good-quality deliberation (the development of detailed suggestion and clarification of important matters)	Good-quality deliberation (the development of detailed suggestion and clarification of important matters)	Participants decide upon the rules of the community fund, whilst business is excluded	Participants decide upon the rules of the community fund, the private sponsor influence the design of the procedure	Medium-quality deliberation. The results of the discussion are summarized by local administration, and not by the participating citizens	Low-quality deliberation. Open meetings. Questionnaires.
Sources of money		Municipal budget	Municipal budget	Fund independent of the municipal budget	Fund independent of the municipal budget and money of private enterprises	Municipal budget	Municipal budget
Implementation		Local government are obliged to implement projects selected by citizens	Local governments decided in informal way. It may lead to mere consultative process	Participants realize the projects themselves	Participants realize the projects themselves	Local government makes final decision. Autonomy and accountability of civil society is weak	Local government makes final decision. Autonomy and accountability of civil society is weak

Source: Based on Sintomer, Herzberg, Rocke (2008).

The six models show differences which are highly influenced by existing political traditions of participation and of democracy (Sintomer et al. 2008, p. 175). Comparison of six models shows that it is hard to simply say that there is one the best procedure. For instance ‘Porto Alegre adapted for Europe’ offers the highest possibility to develop of empowered participatory governance, but it only works in case of large social mobilization. On the other hand, models such as ‘Community funds at local and city level’ or ‘The public/private negotiating table’ give the opportunity to use the power of investors who can found extra money. The strength of this procedure is also direct involvement of participants into project implementation.

2. Participatory budgeting procedures in Poland

In Poland during the last few years more and more municipalities decided to implement the procedure of participatory budgeting. Comparative research based on experiences from this period allows to identify some characteristics and draw primary evaluation (Kraszewski, Mojkowski 2014; Kębłowski 2014).

‘The Act of Local Government’ is the legal basis for participatory budgeting in Poland. Based on this law local government may carry out consultative process related to important matters for the local community. Such a legal record may generate two types of problems (Krzyszowski, Mojkowski 2014, pp. 8-9). Firstly, local government are not legally bound to take into account decisions made by participating citizens. There are no specific law related to procedure of participatory budgeting. Secondly, according to the law all citizens can participate in the consultation process. It means that there is no legal foundation to make restriction in the catalogue of participants. In practice cities introduce some restrictions related to age. In most cases only person over 18 or at least 16 years old can participate in the procedure.

Another important issue relates to the scope of subjects taking into consideration during projects proposals. In practice, there are not thematic restrictions and participants may submit projects relate to many different aspects of urban development. It must be emphasized that in many cases, the participants activities is limited to the project submission and then voting. Usually there is no step preceding discussion on project, that would help to deeper thinking about strategic issues such as challenges, vision and priorities of urban development. In spatial dimension, participants have to locate the project according to the territorial division adopted in the participatory budgeting. Two options are usually used. In the first case, the city is divided into districts, neighborhood units, etc. In each such a place citizens have guaranteed sum of money, which depends on

number of inhabitants. In the second case, participants can submit projects both in the district of their residence and whole city deciding on projects located in downtowns, city central parks, etc. It seems that in this case the threat of thinking just about own backyards is limited.

The next step is to verify the list of submitted projects. In most Polish cities verification is carried out by local government bodies. The projects are evaluated using formal criteria and focusing on project feasibility from legal, technical and financial perspectives. Another verification criteria are regarded controversial because there is a risk of discretionary evaluation. Besides, the procedure of participatory budgeting assumed that verification of project should be based on debate and voting of citizens. This stage of participatory budgeting seems to be important issue because of efforts (costs, time) that must be made during the verification process.

The step of participatory budgeting which usually causes the strongest emotions is voting. There are many ways of voting using in Polish cities. Participants can choose between ballot-box, mail or e-mail. Generally speaking the bigger city the higher rate of participants voting through Internet (Kraszewski, Mojkowski 2014, pp. 17-18). The most interesting question relates to rationality of choice because of many projects.

Table 2 present list of advantages and disadvantages of participatory budgeting procedure used in Polish cities. Comparing with the typology of participatory budgeting based on European perspectives, the most of Polish cities has chosen model similar to 'Porto Alegre adapted for Europe'. The weakest link of the Polish approach is to put too much efforts on the projects contest and much less on good-quality deliberation. Fortunately, this weaknesses are very often reduced because local governments try to improve procedures in the next editions of participatory budgeting.

Table 2. Advantages and disadvantages of participatory budgeting procedure in Poland

Advantages	Disadvantages
<ul style="list-style-type: none"> • Participatory budgeting at the city level (city area is divided into districts or special participatory budgeting zones proposed by citizens) • Periodicity (most local governments decide to implement next editions of participatory budgeting) • Broad scope of projects (it assumes the implementation both infrastructure and social projects) • Guaranteed amount of money, usually increasing next years • New activities of citizens and better understanding the needs of excluded group of society • Impulse to creation new social activities and grow of NGOs 	<ul style="list-style-type: none"> • Debates and other forms of deliberations organized too rarely • Very often procedure focuses on project competition, and not on broader city challenges and local policy issues • Imprecise criteria for project verification (verification usually without participatory control of citizens) • Procedure of participatory budgeting usually offer by local government without broader consultation • Procedure rarely taking into account different types and rank of territories (for example central public spaces and local neighborhoods) • Participatory budgeting treaded as a political tool improving the image of local politicians • Small diversity of projects scope (for example list consists very often only on parking lots and fitness equipment in each open green space)

Sources: Based on Kębłowski (2014); Kraszewski, Mojkowski (2014).

3. Participatory budgeting in practice – case study of Dąbrowa Górnicza

Dąbrowa Górnicza – the city located in the south of Poland, with the number of inhabitants about 120 thousand people was the first city in the Upper Silesian Region, where citizens were able to decide how to spend some part of the local public budget. The first edition of so called DBP (*Dąbrowa Participatory Budgeting – Dąbrowski Budżet Partycypacyjny*) started in 2014. The city has been divided into 27 districts, which correspond to the historical division of city. Citizens decided about budget of 5 million zloty (PLN). Allocation of funds within districts was based on demographic potential.

DBP consists of 6 steps:

- Education events (February-April),
- Projects submission (April-May),
- Project verification by local government bodies (May-August),
- The District Forum – discussion and decisions on the final lists of projects to voting (September-October),
- Voting (November – during 5 days),
- Results and implementation (December – until now).

It seems that the most important step – apart from the voting – is The District Forum, because after long discussions, the project initiators agree to submit joint projects or they try to think about complementary activities. Sometimes they decide to submit only one or two projects, whose values are equal to the amount of money per district.

Table 3 shows number of projects submitted to the voting, number of projects which has been chosen for funding, and turnout in 1st and 2nd editions of DBP. Compared with 2014 in the 2nd edition attendance slightly increased, number of submitted projects decreased but number of projects selected for funding increased by 10 comparing with a year earlier. In the 2nd edition number of DBP districts increased from 27 to 30. Inhabitants of 3 places (Kuźniczka Nowa, Piekło and Stary Gołonóg) request to exclude their settlements from bigger districts.

Looking at the results presented in Table 3 we can draw the following general conclusion on voting strategies:

- There are some districts: Aleje, Kasprzak, Manhattan, Strzemieszyce Małe, where after 1st edition of DBP, citizens decided to change voting strategy switching from competition to cooperation. The second time they submitted the small number of carefully selected projects which costs cover the whole budget of the district. In that case voting is practically unnecessary. It is shown in a significant drop in turnout.

- There are some districts: Błędów, Staszic-Podlesie, Tuczawa-Bugaj-Sikorka, where after 1st edition of DBP, citizens decided to change voting strategy switching from cooperation to competition. The second time they submitted more project and start to rival. It is shown in a significant increase of turnout.
- The large number of projects was submitted both in large districts which are city sub-centres (Strzemieszyce, Ząbkowice) and districts with the large housing estates (Mydlice Południowe, Kasprzak).
- The biggest turnout was in the districts with the small populations, where inhabitants have to choose one project.

Table 3. Voting according DBP districts in 2nd and 1st editions (2015, 2014)

Districts	2015			2014			2014-2015
	Turnout	Project approved for funding	All projects	Turnout	Project approved for funding	All projects	Turnout change
Aleje	4,38%	3	3	9%	3	13	-105,48%
Antoniów	31,19%	1	3	30%	1	3	3,82%
Błędów	69,37%	1	6	12%	2	2	82,70%
Brodway	13,35%	1	3	14%	3	6	-4,87%
Gołonóg	16,99%	1	8	17%	4	29	-0,06%
Kasprzak	8,64%	5	5	24%	4	21	-177,78%
Kuźniczka Nowa	83,17%	1	2	–	–	–	–
Lęka	89,72%	1	2	25%	1	1	72,14%
Lęknice	21,11%	3	4	25%	1	8	-18,43%
Łosień	29,21%	1	3	37%	3	6	-26,67%
Manhattan	5,22%	3	3	14%	1	5	-168,20%
Marianki-Ratanice	69,58%	1	4	30%	1	2	56,88%
Mydlice Południowe	13,80%	5	23	18%	5	17	-30,43%
Mydlice Północne	17,25%	3	6	31%	1	10	-79,71%
Okradzionów	41,44%	2	2	78%	3	5	-88,22%
Piekło	5,22%	1	1	–	–	–	–
Reden	21,30%	1	6	15%	2	10	29,58%
Reden-Adamiecki	17,93%	1	4	19%	1	4	-5,97%
Stara Dąbrowa	28,92%	–	–	–	1	3	65,42%
Stary Gołonóg	26,18%	4	11	–	–	–	–
Staszic-Podlesie	28,92%	1	3	4%	1	1	86,17%
Strzemieszyce Małe	17,68%	4	4	48%	1	2	-171,49%
Strzemieszyce Wielkie	17,37%	6	17	20%	4	8	-15,14%
Śródmieście	14,62%	4	6	12%	1	5	17,92%
Trzebieszawice	16,83%	1	2	15%	1	2	10,87%
Tuczawa-Bugaj-Sikorka	33,05%	2	5	7%	2	2	78,82%
Tworzeń	16,26%	2	5	16%	4	7	1,60%
Ujejsce	31,14%	2	5	26%	1	4	16,51%
Ząbkowice	39,80%	2	16	39%	3	12	2,01%
Zielona-Korzeniec-Dziewiąty	23,76%	2	4	12%	1	7	49,49%
Sum	28,45%	65	166	21%	56	195	22,67%

Sources: Based on (Uchwała Nr XIII/457/13; Uchwała Nr XXXIV/672/14; www 1).

Table 4 presents the types of DBP projects divided into accepted and rejected in voting, both numbers and shares. We can see that more than 40% of submitted proposal of projects refer to improvement of roads, sidewalks and parking lots. It means that citizens mainly focusing on improving the infrastructure amenities in the nearest neighborhood. Detailed review of submitted projects shows that the most popular objective is expansion of parking lots. This kind of projects was submitted in districts with the highest density. However, this kind of projects are usually rejected in voting because of small area and limited number of beneficiaries. After voting process the winning types of project are playgrounds and gyms in parks or libraries and schools new equipment (books, softwares). It seems that good results of the latter related to intensive campaign made by beneficiaries (for instance students and their parents do campaign encouraging for voting their projects).

Table 4. The types of DBP projects (2nd edition, 2015)

Type of projects	All projects	Accepted in voting	Rejected in voting	% in all submitted projects	% in all accepted projects
roads, parking lots, sidewalks	71	22	49	42,77%	33,85%
monitoring, lighting	8	1	7	4,82%	1,54%
leisure time (playgrounds, gyms)	35	18	17	21,08%	27,69%
squares, backyards, open space, parks	14	6	8	8,43%	9,23%
building repairs	4	3	1	2,41%	4,62%
libraries, schools (books, softwares etc.)	30	15	15	18,07%	23,08%
other public services (transport etc.)	4	0	4	2,41%	0,00%
Sum	166	65	101	100,00%	100,00%

Sources: Based on (Uchwała Nr XIII/457/13; Uchwała Nr XXXIV/672/14; www 1).

After the first edition of DBP, local government has organized the debate to discuss the assumption of next edition of participatory budgeting. Table 5 shows the main changes between two editions of DBP.

Table 5. DBP rules evolution – comparison of 2014 and 2105 procedures

	DBP 2014	DBP 2015
The amount of money	5 000 000 PLN	8 000 000 PLN
The number of city districts (division for DBP purpose)	27	30
City area	The whole city	Except central public space (main square, parks in city centre, area of Pogoria lakes)
Educational events	3 months	12 months
Voting	5 days	6 days

Sources: Based on (Uchwała Nr XIII/457/13; Uchwała Nr XXXIV/672/14; www 1).

The main change – except increased sum of participatory budgeting – relates to the spatial division of city. Firstly, participants prefer smaller areas, where they can define the projects. It means that people would like to use participatory budgeting as a tool of gathering money for some improvements in their backyards. Secondly, participants has found out that there are some areas in the city, which are urban commons and local public goods used by the whole local community. In this case, participants would like to have influence on quality of this kind of key public space.

Conclusions

There is a dynamic growth of participatory budgeting procedures in Polish cities. It is hard to say about one ‘Polish model’ of participatory budgeting, however, in many cities particular pattern is repeated very often. There are the following common features:

- the concentration on project contest, and not on broader aspects of local development and local policy issues,
- quite limited forms of deliberation and other interactions between participants,
- predominance of projects focusing on repair and maintenance of urban infrastructure than social inclusion, cultural development etc.,
- citizens/participants are not directly responsible for the city development, they invent and voting on projects, at the same time assuming that local government are one and only body obliged to implement projects.

However, it should be regarded that participatory budgeting is still new tool of participatory governance. Next years, the local governments in Poland will have to change the procedures in order to face the contemporary challenges of urban development. The increasing the civil awareness and lessons derived from the first editions of participatory budgeting should lead to changes the procedures from ‘voting approach’ to ‘participatory governance’ approach.

The spread of participatory budgeting as a tool for local governance should contribute to raising awareness and better understanding of the urban development challenges. In-depth reflection on participatory budgeting should lead with time to look at the city as a set of common goods (*urban commons*) and the place where the interests of all citizens are taken into account in development process.

The previous experiences of Polish cities shows that it is necessary to make a good insight into each editions of participatory budgeting, otherwise the results can be different than expected. For instance participatory budgeting may become a place of rivalry between groups of citizens trying to appropriate the urban pub-

lic space treating it as a club good with all consequences for spatial development. Moreover, we should remember that during voting only some project won and the majority loses. In the future greater use of deliberative methods may develop the model in which voting becomes unnecessary, or at least it will not be the key element of participatory budgeting.

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