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THE VILLAGE FUND AS A FORM OF SOCIAL PARTICIPATION ON THE EXAMPLE OF POLISH REGULATION AND EXPERIENCE.

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Abstract

Social participation is an important element of building interpersonal ties and real participation in the exercise of power. However, building real instruments of social participation is difficult. The authorities, including the local ones, are reluctant to get rid of it.

The aim of this article is to present a unique instrument of social participation, regulated in Polish law, which is both a manifestation of a real transfer of power to the inhabitants of smaller communities (rural communities) than the commune, and at the same time encourages the commune authorities to get rid of these powers for the benefit of these communities.

This instrument is the village fund, which is an optional part of the commune's budget. The residents themselves decide in a binding manner for what purposes the public funds covered by this fund will be spent. In principle, this fund can only be established in a municipality which is entirely rural or which covers rural areas.

The use of this instrument of participation benefits not only the residents by giving them full authority to independently indicate for which projects public funds will be transferred, but it is also beneficial for the authorities of such a community themselves, because it combines the use of this instrument with additional transfer of money from the state budget. This is the only case of transferring funds from the state budget to communities without indicating for which tasks these funds can be spent. The basic methods of analysis will be dogmatic methods based on the interpretation of legal provisions and the analysis of the views of representatives of science. Supplementary methods include empirical methods involving the analysis of data collected in connection with the use of the village fund. The analysis showed that there is a great interest of the inhabitants of the smallest and economically weakest rural communities, to whom this instrument of participation is addressed. The mode of participation is quite transparent and guarantees the independence of such communities in choosing those projects that, in their opinion, should be implemented.

Importantly, the village fund cannot be used in cities. The disadvantage of the existing solution is both the limitation of this instrument to rural communities only, and the insufficient financial resources that can be covered by it.

Keywords: *commune, commune council, mayor of a rural commune, rural community, rural district, village fund, social participation.*

Introduction

Activating residents is a significant social problem. Although the development of modern methods of communication allows for a wide exchange of views and the transfer of current information, it does not replace genuine involvement in solving matters concerning the closest and local communities. Residents most often do not have time to deal with local issues, they do not know how to solve them, and above all, they do not see a way to push through their views and reasons as to how these issues should be solved. The involvement of residents in solving local issues is referred to as social participation. It can take various forms, from purely deliberative forms, in which the opinion of the local community is only consulted, through the diverse participation of such a community in decision-making, to the transfer of the power to deal with matters to such communities. According to the classical view, participation can be understood as a kind of ladder, on which the delegation of power is on the penultimate step and the influence of citizens becomes dominant. It is a form of real participation treated as the power of citizens (Arnstein, 1969, p. 216-217). This engagement is sometimes referred to as public participation, as the involvement of the community in the activities of public authorities (Brodie, Cowling, Nissen, Ellis, Paine & Warburton, 2009, p. 4-5). Only those forms involving the real delegation of power, which force social activity for their implementation, give a sense of real agency. They counteract a kind of "entitlement indifference" aimed at satisfying their own needs, but without any activity (Habermas, 2007, p. 337-339).

Research problems and research methods.

The aim of the following article is to present one of the forms of public participation, which has been successfully developed in Poland for several years and which genuinely mobilizes local, most often rural, communities. The research problem will be to demonstrate how participatory instruments should be constructed so that they have a real, not just apparent significance and mobilize residents to participate in them from the bottom up.

The basic research method will be the dogmatic method of research, which consists in the analysis of the applicable legislation, jurisdiction and the views of representatives of science. In addition, an empirical research method will be applied, consisting in the analysis of specific practical cases of using this form of participation.

Legal basis.

The rules of operation of the village fund are regulated by ustawę z dnia 21 lutego 2014 r. o funduszu sołectkim [the Act of 21 February 2014 on the village fund, hereinafter - AVF). The Act on the village fund is not too complicated, and therefore the use of this fund should be widespread.

The concept of village as an auxiliary unit of communes.

Villages as an auxiliary unit of the communes have a very long history in Poland, stretching back to the 13th century. The word village comes from the village head, who was a person responsible on behalf of the owner for the establishment of a given village and

its management on behalf of the owner (Płaza, 1989, p. 106; Łysiak, 1964, p. 26-27). Villages with village heads have survived from the 13th century to the present day. After the revival of communal self-government in Poland in 1990, the existing villages became part of it. Currently, villages are auxiliary units of communes and are created optionally (Mączyński, 2002, p. 35). These are not local government units (Ceraży, 2024, p. 19-21; Bandarzewski, 2019, p. 7-9). These auxiliary units usually covers one village or parts of a village. It is the smallest social group forming a local community. The highest body of the village is the gathering of all the inhabitants of the village. It is a constituent body consisting of all the inhabitants of the village (Augustyniak, 2010, p. 133-137). The executive body of the village is the village head, whose work is supported by a village council of several people. The aim of the village is both to help the local government administration and commune bodies in the performance of public tasks, as well as to play the role of conveying the opinions and expectations of residents as to the manner or scope of performing public tasks (Śwital, 2014, p. 232; Matyjaszczyk, 2015, p. 6). The functioning of such villages, which are not local government units, is part of the formula of the institution of social participation (Ratajczyk, 2016, p. 103-107; Jarosz, 2021, p. 2; Augustyniak, 2010, p. 19). As of 31 December 2024, the number of villages in Poland is 40,824, with one of the smallest villages having two inhabitants (the village head and his wife) (the village of Dąbrowa in the Hrubieszów district, one of the smallest villages in Poland („Starsi pomarli, młodszy wyjechali”, 2024), and one of the largest has over 14 thousand inhabitants (the village of Józefosław near Warsaw - Wojtczuk, 2021). The number of municipalities in Poland as of 31 December 2024 is 2479, and thus there are on average over 16 auxiliary units in each Polish municipality.

The concept of a village fund.

According to Article 2, paragraph 1 of AVF The village fund is not the budget of the commune as a local government unit. The village fund is a part of the commune budget set aside within this budget only for accounting purposes. Thus, the commune council, by adopting The budget automatically includes the village fund, if such has been separated. The village fund cannot function independently of the budget and is always part of it. The expenditure of funds from the village fund is carried out in the same way as the disposal of the remaining part of the budget (Trykozko, 2018, p. 46-47). The village fund is not a special purpose fund within the meaning of Polish law. A special purpose fund is a resource of cash from precisely defined sources and intended for specific purposes (Bożek & Mańczyk, 2020, p. 212-217; Borodo, 2019, p. 62). The essence of a special purpose fund is to tie up funds from specific sources for expenditures specified by law, and no other expenses may be realized from such a fund (Bożek & Mańczyk, 2020, p. 216; Lipiec-Warzech, 2011, p. 142). This is determined by the content of Article 2(5) of the AVF, according to which the village fund is not a special purpose fund within the meaning of the Polish Public Finance Act (Łukowiak, 2020, p.71).

The village fund does not have a separate income sphere. There are no separate sources of funding that would feed this fund. Thus, it is simply a part of all the financial resources that create the budget revenues of the municipality (Szymańska, 2015, p. 12).

From the expenditure point of view, the village fund is a separate part of the commune's budget, which can be allocated to the implementation of only one of the two types of expenditure. Firstly, these funds may be used for expenditures covering projects that meet the following characteristics together: a) these projects are covered by the application of the village authority; b) they are the commune's own tasks; c) serve to improve the living conditions of residents; d) they are in accordance with the commune's development strategy (Article 2(6) of the AVF). Secondly, this expenditure may be used to cover expenditure on measures aimed at removing the effects of a natural disaster (Article 2, paragraph 7 of AVF; Łukowiak, 2020, p. 72; Trykozko, 2018, p. 49-50). As an additional requirement, it is indicated that the projects indicated by the village assembly must not exceed the amounts declared as a village fund (Trykozko, 2018, p. 53). Although no other expenditures can be financed from the village fund, the premise of expenditures related to the commune's own tasks is so capacious that it includes the vast majority of the commune's expenses. This is fully justified, because in addition to expenditure on their own tasks, municipalities also carry out the so-called commissioned tasks, i.e. government tasks delegated to the local government only to be performed according to strictly defined rules and fully financed from the state budget.

Procedure for establishing the village fund.

The village fund is an optional part of the commune budget. Its establishment depends on the resolution of the commune council, which may, by 31 March of a given calendar year, adopt a resolution to consent to the separation of such a fund by the executive body in the next year's budget of a given commune (Article 2 paragraph 1 and 2 of AVF). This resolution is binding on the executive body not only for one financial year (Szymańska, 2015, p. 8). Once adopted, a resolution on consent to the separation of the village fund is valid not only for a given year, but also for subsequent years, and only a resolution of the commune council on non-consent eliminates the effects of the previous resolution (wyrok Naczelnego Sądu Administracyjnego w Warszawie (2021), I GSK 219/21; Łukowiak, 2020, p. 74).

After the commune council adopts a resolution on consent to the allocation of this fund in the commune budget, the mayor of a rural commune (hereinafter as mayor) is obliged to determine and provide the villages heads with information on the amount of funds covered by the village fund by 31 July of the year preceding the financial year (Article 3, paragraph 2 of AVF). Thanks to this, the village heads, and through them also other residents of the village, will know up to what amount of public funds they can decide on the planned projects.

In addition, by 31 July, the mayor shall provide the voivode. Voivode is a representative of the central government, which is also the supervisory authority over the local government. The voivode receives information on the amount of funds allocated to given villages under the village fund and the amount of the base amount (Article 3, paragraph 3 of AVF). Failure of the mayor to comply with this obligation results in the loss of the right to receive benefits from the state budget from the implementation of the village fund. Upon receipt of the information, the voivode verifies it in financial terms and submits it to the minister responsible for

public administration by 15 August of the year preceding the financial year (Article 3, paragraph 4 and 5 of AVF; Szymańska, 2015, p. 21). After receiving information about the amount of funds from the village fund allocated to a given village, the village head, village council or at least 15 adult residents of the village have the right to convene a village meeting. The purpose of this meeting will be to adopt a resolution on the identification of the project or projects implemented within the funds from the village fund, along with an estimate of these costs and justification (Article 5, paragraph 3 of AVF; Łukowiak, 2020, p. 74). Such a resolution is referred to as a motion. Failure to take it or failure to do so on time means resignation from the village fund by the local community (Augustyniak, 2010, p. 222). Although there is no explicitly defined deadline for the adoption of the above-mentioned resolution, it should be stated that the cut-off date is 30 September of the year preceding the financial year to which the village fund relates (Jędrzejczyk, 2016, p. 41). This is due to the obligation of the village head to submit to the mayor of a rural commune by 30 September a proposal constituting a resolution of the village meeting on the village fund (Article 5, paragraph 4 of AVF). After receiving such an application, the mayor evaluates it only in formal terms (Szymańska, 2015, p. 13). This assessment includes determining whether the competent authority adopted a resolution by 30 September, whether the resolution contains an indication of the project that meets the conditions for its financing under the village fund, whether it contains a determination of the estimated amount of costs of its implementation included in the previously provided information on the amount of this fund and whether it contains a justification for choosing such a project and not another (Trykozko, 2018, p. 49-53). The mayor cannot verify the legitimacy of the residents' choice of such and not another project (Łukowiak, 2020, p. 76). The choice of residents in this respect is binding for the mayor and the project must be included in the draft of the next year's budget of a given municipality together with at least the amount of expenditure on this project that is included in the resolution of the village meeting (Trykozko, 2018, p. 49). In the event that the application does not meet the formal requirements, the mayor rejects it within 7 days from the date of its receipt and at the same time informs the village head about it (Article 5, paragraph 5 of AVF).

After receiving such information, two modes of action are possible. The first procedure, which can be called an appeal, consists in the fact that the mayor, within the next 7 days of receiving the information about the rejection of the village meeting's application, submits a motion upholding the earlier application for spending funds from the village fund for the project specified in the previous resolution of the village meeting. This application is addressed to the commune council through the mayor (Article 5, paragraph 6 of AVF). The commune council shall consider such an application within 30 days from the date of its receipt. It rejects it when the original application does not meet any of the formal conditions or was submitted after the 7-day deadline. A resolution of the commune council that does not find any formal defects in the application is binding on the mayor (Trykozko, 2018, p. 49).

Alternatively, a second mode is possible, but the choice of these modes is not separable. Choosing one of them is not an obstacle to using another. The latter procedure may be applied only if the rejection of the application of the village meeting occurred either due to the defective convening of the village meeting or because the application does not contain information regarding the project to be implemented in the area of the village within the funds

specified for a given village on the basis of information on the amount of this fund, together with an estimate of their costs and justification. It consists in the fact that the village head, after receiving information from the mayor about the rejection of the village meeting's proposal for a project implemented from the village fund, may reconvene the village meeting in order to adopt another resolution containing a proposal to include the village fund in the municipality budget of the indicated project (Article 5, paragraph 7 of AVF). Choosing the latter mode, the mayor must quickly convene a village meeting, because the motion re-adopted by this meeting must be submitted to the commune council through the mayor within 7 days from the date of receipt of information about the rejection of the earlier application (Article 5, paragraph 8 of AVF). Such an application is considered by the commune council within 30 days from the date of its receipt and is obliged to reject it if it does not meet the formal conditions including the defective convening of a village meeting, its content does not meet the requirements of the Act or was submitted after 7 days from the date of receipt by the mayor of the information about the rejection of the previous application (Szymańska, 2015, p. 14). If the re-adopted application meets the above-mentioned formal requirements, such an application is obligatorily accepted (Article 5, paragraph 10 of AVF; Trykozko, 2018, p. 48).

Importantly, although the only body with the right to prepare the draft budget of the commune is the mayor, in the scope of applications concerning the village fund, the mayor is bound by the resolutions of the commune council: a resolution approving such a proposal binds the mayor and orders him to include it in the commune budget, and a negative resolution prohibits the mayor from including it in the village fund. Such an undertaking may find a place in the commune budget, but outside the village fund. Already after the preparation of the commune budget covering the village fund, the commune council is not deprived of control over the correctness of taking into account the village applications in this fund. When adopting the budget, the commune's constituent body is obliged to reject the application of the village council if the project covered by the application does not constitute the commune's own task, does not serve to improve the living conditions of residents, is not in line with the commune's development strategy or is not intended to cover expenditure on activities aimed at removing the effects of a natural disaster (Article 5, paragraph 11 of AVF). In practice, there have been situations in which a given public task (e.g. the construction of a terrace and a roof in front of a public rural building has already been completed), but there was no money in the commune's budget to pay for this construction. The administrative court held that the assumption by a village assembly of a public task consisting in the construction of such a terrace with a roof may be covered by the village fund, because the conditions for rejecting such an application are very strictly defined (wyrok Naczelnego Sądu Administracyjnego w Warszawie (2024), I GSK 1290/21). The prevailing view in the case law is that the inhabitants of a village cannot effectively appeal to the administrative court a resolution of the commune council rejecting the request of the village assembly regarding the indicated project to be covered by the village fund (wyrok Naczelnego Sądu Administracyjnego w Warszawie (2017), II GSK 2662/17; wyrok Naczelnego Sądu Administracyjnego w Warszawie (2017), II GSK 577/17). This view is only partially accurate. While an individual resident cannot effectively challenge a resolution rejecting a village meeting's motion, a village meeting should be able to do so.

Non-financial benefits related to the separation of the village fund.

The Polish structure of the village fund is a real combination of residents' participation in public decision-making (Trykozko, 2018, p. 45). This is a rare example of the real influence of residents on determining the way budget funds are spent (Trykozko, 2018, p. 54). The inhabitants of the village decide on their own what the budget funds referred to as the village fund are to be used for, and the indication of projects does not require the prior consent of any municipal authority (Łukowiak, 2020, p. 65). What is more, such an indication of this project is binding for the municipal authorities, which cannot assess the expediency of whether the project indicated by the residents in this way should be implemented. Only a violation of formal requirements, known to the residents and of an objective nature, justifies the omission of their position. Thus, it is a full transfer of power in this respect to the local community, which does not form a local government unit (Pieczonka, 2021, p. 413). It should be recognized that this is the highest level of participation.

Financial benefits associated with the separation of the village fund.

However, the basic benefit associated with the use of the village fund and at the same time clearly distinguishing it from civic budgets is the financial benefit. Since the village fund is part of the commune budget, its amount is determined by the commune's revenues based on the same principles in the case of a commune with a separate village fund and a commune without this fund (Augustyniak, 2010, p. 223). Part of the income of municipalities is made up of subsidies from the state budget calculated in such a way as to secure expenditure on the implementation of the local government's own tasks. As a rule, these are only "adequate" financial resources, which often do not provide full coverage of the costs of implementing the local government's own tasks. The local government has no other option to receive additional funds from the state budget for the implementation of its own tasks. There is one exception to this rule, which concerns the village fund. If a village fund has been set aside in the budget of a given commune, then the commune receives an additional reimbursement from the state budget, in the form of a targeted subsidy, of a part of the expenditure made under this fund (wyrok Naczelnego Sądu Administracyjnego w Warszawie (2025), I GSK 146/22). No municipality that does not have a separate village fund in its budget can receive such an amount of money (Jędrzejczyk, 2016, p. 42). The amount of this reimbursement depends on a coefficient defined as the average base amount calculated for rural and urban-rural communes. It is calculated by dividing the total amount of current income of rural and urban-rural communes by the number of inhabitants of rural and urban-rural communes. The average base amount in 2025 was PLN 5,588.69 (1 536,88 USD¹) per capita (<https://www.gov.pl/web/finanse/srednia-kwota-bazowa-kbk-na-2025-r>). This is the so-called index of the wealth of

¹ In Poland, the official currency is PLN (Polish zloty). All amounts given in the text have been converted to USD. The conversion was based on the official exchange rate in Poland as of 29.09.2025 for the URL: <https://nbp.pl/statystyka-i-sprawozdawczosc/kursy/tabela-a/> of PLN 1 ≈ USD 0.275. This exchange rate is quite stable and over the last dozen or so years, exchange rate fluctuations in Poland have not exceeded +/- 20%, except for a short period of the beginning of the Covid-19 pandemic.

municipalities. For the poorest communes, in which the basic amount calculated as the quotient of the current income of a given commune for the year preceding the financial year by two years and the number of inhabitants living in the area of a given commune, as at 31 December of the year preceding the financial year, is two years lower than the average basic amount on a national scale – the amount of reimbursement of expenses incurred under the village fund is 40% of the expenses covered by the village fund.

For municipalities in which the base amount is between 100% and 120% of the average base amount on a national scale, the amount of reimbursement is 30% of the expenditure made under the village fund. On the other hand, for the richest communes, where the base amount is above 120% of the average base amount on a national scale, but not more than 200% of this amount, the amount of reimbursement is 20% of the expenditure made under the village fund (Article 3, paragraph 8 of AVF). This means that only because a given commune has set aside a village fund within its budget, additional funds are transferred from the state budget for any tasks of such a commune in the amount of 40% to 20% of the amount of funds spent under the village fund. This is the only situation in which such additional income of the municipality is not related to any of its tasks. Thanks to such a structure, residents have the opportunity to increase the income of a given municipality and thus make additional expenditures for public purposes.

Experiences.

The amount of the village fund is limited from above to the extent that the reimbursement of part of the expenditure realized under this fund from the state budget is calculated on its basis. For example, in one of the counties, the amount of amounts covered by village fund in individual communes amounted to between 0.6% and 1.2% of budget expenditure (Michalec, 2024, p. 79).

	Total expenditure		Expenditures realized under the village fund		Share of the village fund expenditure in total expenditure (5:3)
	number of units	amount (in PLN thousand/ USD)	number of units	amount (in PLN thousand/ USD)	
1	2	3	4	5	6
Rural communes	1464	88 091 798 PLN (24 225 244,45 USD)	935	527 752 PLN (145 131,8 USD)	0,6
urban-rural communes (these are communes in which there are both a city and villages)	711	73 091 310 PLN (20 100 110,25 USD)	553	322 352 PLN (88 646,8 USD)	0,4

In addition, several municipal municipalities benefited from the village fund, but their share in the total expenditure was minimal. The revenues of all municipalities in Poland in 2024 (2479 municipalities) amounted to over PLN 201 billion (over 57 750 000 000 USD) (Sprawozdania roczne z wykonania budżetów jednostek samorządu terytorialnego za 2024 r., 2025, p. 16).

In Poland, out of a total number of municipalities of 2479 in 2025, there are 2172 villages. Not all communes in which there are villages have village funds allocated in their budgets. For example, in 2021, these funds were allocated only in 1498 municipalities, in 2022 in 1501 municipalities, and in 2025 already in 1668 (Fundusz sołecki, 2025). The trend is increasing. The aggregate amounts of expenditure made as part of the village funds also show a clear increase. While in the first year of their operation (i.e. in 2010), the amount of approx. PLN 168 million (USD 44,000,000) was spent under these funds, in 2015 it was already about PLN 336 million (USD 92,400,000), in 2023 it was about PLN 726 million (USD 199,650,000), in 2024 it was about PLN 842 million (USD 231,550,000), and in 2025 it was about PLN 850 million (USD 233,750,000). For 2026, it is planned to spend about PLN 1 billion (USD 275,000,000) (Fundusz sołecki, 2025). Accordingly, the amount of reimbursement from the state budget of part of the expenditures made under the village fund in 2011 (for the expenditures from 2010) amounted to approx. PLN 44 million (USD 12,100,000); in 2016 (for expenditures in 2015) the amount of approx. PLN 90 million (USD 24,750,000); in 2023 (for expenditures in 2022) the amount of approx. PLN 140 million (USD 38,500,000); in 2024 (for 2023 expenses) the amount of PLN 259 million (USD 71,225,000); for 2025 (for 2024 expenses) in the amount of approx. PLN 286 million (USD 78,650,000) and in 2026 reimbursements for expenses from 2025 in the amount of approx. PLN 292 million (USD 80,300,000) are planned (Fundusz sołecki, 2025).

The table below sets out the amount of expenditure of rural and urban-rural communes in Poland in 2024 and the share of expenditure from the village fund (Sprawozdania roczne z wykonania budżetów jednostek samorządu terytorialnego za 2024 r., 2025, p. 33)

As the above table shows, in rural communes, expenditures from the village fund accounted for only 0.6% of total expenditure. In total, this is not a large amount and will need to be increased in the future.

In 2024, expenditures in Polish municipalities under the village fund were made mainly in the following sections:

- culture and protection of national heritage (28.4%),

- transport and communications (26.1%),
- municipal management and environmental protection (19.6%),
- physical culture (7.7%)
- public safety and fire protection (6.9%). Expenditures in the above-mentioned sections accounted for a total of 88.7% of expenditures made under the village fund (Sprawozdania roczne z wykonania budżetów jednostek samorządu terytorialnego za 2024 r., 2025, p. 34).

Conclusions.

Granting the full right to decide for the benefit of the residents themselves what public funds are to be spent on, which cannot be changed by the municipal authorities combined with an additional transfer of public funds, which is unacceptable in any other case, allows for real empowerment of the smallest communities, often also the financially weakest. It is a form of real empowerment of local communities. In practice, nothing activates people as much as the ability to decide for themselves what public funds are spent on. In order for this to be "profitable" for the municipal authorities, which are "losing" part of their power in this regard, the legislator decided to transfer to such municipalities additional funds in the state budget that are not related to any specific public task to be performed. Thereby *for balance* the allocation of the village fund in the commune budget pays off for everyone: a) the commune authorities, because it is the only way to obtain additional funds from the state budget, b) the residents, because they gain the right to decide for themselves what public funds are to be allocated and their decision is binding, c) the whole society, because in this way the inhabitants are activated, allowing them to gain experience in the implementation of public affairs. Undoubtedly, the described institution is an original form of social participation (Trykozko, 2018, p. 45). All this leads to the building of social capital, based on the trust of the inhabitants of small communities (Osiecka-Chojnacka & Kłos, 2010, p. 66). If we add to this a sense of real agency, understood as the possibility of influencing the surrounding reality and its changes, then positive changes will not have to wait long (Pieczonka, 2021, p. 516).

Importantly, the Polish legal system knows a similar institution referred to as participatory budgeting, which, however, does not grant such a far-reaching right to the inhabitants of communes to make independent decisions and does not allow for any transfer of part of the expenditure from the state budget incurred within the framework of the participatory budget (Pięta, 2020, p. 29).

The disadvantage of the Polish solution is that the institution of the village fund is essentially directed only to rural communes. Undoubtedly, rural communities are generally the poorest and often significantly underfunded in public infrastructure, e.g. water supply, roads, sewage systems, Internet connections, parks, community centers, etc. (Pieczonka, 2021, p. 422). Thus, only these communities will benefit the most from it (Pieczonka, 2021, p. 414). These funds are a form of equalizing civilizational opportunities (Augustyniak, 2010, p. 221; Szymańska, 2015, p. 6). Another disadvantage is the limited right to challenge resolutions of commune councils rejecting the motions of village assemblies on the manner of using the village fund.

Such an institution should be able to be used by residents of auxiliary units of municipalities bearing other names, such as housing estates or districts in cities or even colonies in rural areas (Szymańska, 2015, p. 6). However, the Polish legal system does

not allow for the possibility of applying the village fund to municipalities other than those that have villages in their area (Pięta, 2020, p. 29). This is a violation of the principle of equality (Augustyniak-Górna, 2008, p. 124-125).

Nevertheless, positive opinions about the village fund prevail. The combination of agency and independence of decision-making by rural communities together with an increase in the income of such municipalities only because the option of implementing part of public tasks through the village fund has been chosen is a unique formula for activating residents.

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