

The Highland Council
Communities and Partnership Committee
28 September 2016

Agenda Item	11
Report No	CP 24/16

Participatory Budgeting Update

Report by Acting Head of Policy

Summary

This report updates Members on progress in the development of participatory budgeting (PB) in Highland. It highlights the positive response from members of the public to the process and identifies the main themes for further development of our work in this area. It asks Members to consider and comment on how the approach could be applied to mainstream services, how a digital system could complement and enhance the process and the potential for further developing a partnership approach.

1. Background

- 1.1 The Community Empowerment Act 2015 puts in place a range of provisions to support communities to make change happen by having more power and influence over what matters to them. It requires public sector partners to support the development of local action through enabling them to take control of assets, and supporting them to participate in decision-making (including the targeting of resources).
- 1.2 Part 10 of the Act is about participation in public decision-making. It aims to promote and enable participation of people in the decisions about public services including the allocation of financial and other resources. It seeks to support capacity building in communities with a view that this will help to identify local needs and priorities better and for budgets to be targeted more effectively. Guidance or regulations are expected to detail which public bodies are included, which of their decisions are affected and who should be able to participate in them. This guidance is expected by January 2017.
- 1.3 It is very likely that the statutory guidance or regulation will highlight participatory budgeting as a key way to engage communities in decision-making.
- 1.4 The Council has commitments to trial participatory budgeting in several locations by March 2017 as part of its Highland First Programme.

2. Participatory Budgeting

2.1 Participatory budgeting (PB) involves communities in the allocation of public funding. The PB process initially runs a public event or online digital process where communities vote on which projects/services to support. However in bringing the disparate sections of a community together it-

- creates networks
- improves knowledge and awareness of community activity
- promotes a discussion about issues and priorities
- builds capacity
- improves engagement with excluded groups
- supports wider democratic participation
- shifts agencies and communities focus and provision to meet need
- prepares communities and agencies for discussions regarding more substantial mainstream budgets

2.2 Our Approach

The approach in Highland has been to lay solid foundations for developing PB processes that will go beyond the allocation of small discretionary budgets. This has involved -

- Local Elected Members agreeing the purpose, approach, geography, scope and resources available.
- Ensuring a broad, representative and effective partnership is formed to **design and run** the process.
- Ensuring the process is deliberative and reflective of the community it targets.
- Testing an online digital process in Lochaber

3 Progress in Highland

3.1 In total since November 2015 seven PB processes have been delivered in Caithness (x2), Lochaber, Skye, Sutherland, Nairn and Inverness West. This has involved the public in deciding how to distribute £137K. This has been a mixture of Ward Discretionary Budget, Scottish Government funding and a small local partner contribution in Inverness West.

3.2 Members have previously received information regarding the first two events in 2015 in Lochaber and Caithness-

1. Lochaber focused on a youth discretionary fund (£10k) –a report on it went to the Communities and Partnership Committee on 10th December 2015
http://www.highland.gov.uk/download/meetings/id/69433/item_15b_b_l_lochaber_participatory_budgeting_experiment
2. Caithness – £30k of Ward Discretionary funding was allocated in November 2015. There was high turnout at the event – around 200 with 145 eligible to vote.

3.3 Since January 2016 processes have been initiated and events held in the locations below. Information regarding the number of applications, event attendance, and evaluation information is summarised below:

Nairn:

- 31 applications were submitted to the fund
- 125 members of the public attended the event
- 14 projects were awarded funding
- 76% of attendees thought the process was a good way to distribute money

Sutherland:

- 40 applications were submitted to the fund
- 52 members of the public voted
- 9 projects were awarded funding
- 88% of the people who attended the event found out about new projects in their area

Skye and Raasay:

- 56 applications were received for the fund with a combined total of approximately £70,000
- 41 projects were presented at the public event
- 94 ballots were cast to decide on what projects received funding
- 99 people attended the event with representatives from all 14 of Skye and Raasay local areas
- 81% of people who attended thought the process was good for their area

Caithness:

- 20 eligible projects
- 123 registered voters
- 90% of those attended indicated that they would take part again

Inverness West:

- 21 applications were submitted
- 11 groups received funding
- 40 members of the public attended the community decided event
- 91% of attendees noted that they had found out about new projects in their area

3.4 The events have generally been characterised by-

- A positive response to the process from Elected Members, partners, community groups and members of the public
- A positive reaction to passing decision-making over to community members
- A lively debate about the merits of particular applications in the context of community needs, priorities, and value for money.
- Encouraged input from community members who hadn't spoken at a public event previously

- Raised awareness of community activity
- Emerging networking between groups operating in geographies and areas of interest.
- An appetite to develop the scope, reach and positive benefits of the process

4 How Can We Develop Participatory Budgeting?

4.1 There are three main areas that we should explore developing-

- Applying the process to **mainstream** activity/services
- Developing the successful use of **digital tools** to expand the reach of the process
- Work with **partners** to encourage the use of PB in other areas of activity

4.2 **Mainstream Activity-** It is clear that PB can assist with ensuring that services are efficient and effective. That is that services are designed and delivered to meet local needs and priorities and that they work alongside other services, organisations and communities to maximise impact and the use of scarce resources.

It is clear that for PB to work it has to be rooted at a local level, and be focussed on the services and resources available locally. A natural starting point may be Community Services activity that has recently been devolved to Area Committees.

Some early discussions have taken place with local areas regarding the potential for community input to shaping the future shape of these services. It is proposed that this potential is explored and tested in the next round of PB processes. This could involve building in a public discussion on priorities into a PB process or identifying a small amount of budget for allocation at a public event.

4.3 **Digital Tools-** The Lochaber area has been at the forefront of using an online PB process. It has effectively secured high levels of participation in the process but also engaged the community in shaping the process and debating proposals. Discussion is currently underway with the Democratic Society, who are funded by the Scottish Government to support and advise on the use of digital tools for PB, as to trialling the use of a system in Highland. It is proposed that a digital tool is offered to local PB partnerships where they feel the time is right to test its use.

4.4 **Partnership Involvement-** Partner involvement has been critical to running effective PB processes. However if we are to truly open up decision-making to communities it is important that communities feel they have a say over the use of a range of resources deployed in their community. Often this will include resources that are spread across the public and voluntary sector. The new Community Partnerships that will develop over the coming months offer an opportunity to explore how a wider partnership approach can be brought to PB. It is proposed that Community Partnerships are supported to consider this.

5. Implications

5.1 **Resource:** Participatory budgeting requires officer and partner time as well as resources to allocate. Currently the Council has applied the approach to discretionary funding, but there is scope to develop the technique for communities to prioritise some aspects of mainstream budgets.

Legal: PB in Highland will assist us in meeting the requirements of the Community Empowerment Act around improved engagement of communities in decision making process. It is anticipated that the statutory guidance and regulations for Part 10 of the Act may also detail PB as a mechanism for participation in public decision making. The statutory guidance is expected later this year.

Equalities: PB process have, and will continue to consider how best to ensure that people with protected characteristics are supported to be involved.

Climate Change, Gaelic and Rural implications: no new implications are identified, although rural areas are pressing ahead with PB.

Risk: The organising groups are considering the risks involved within each PB event and are making arrangements for the events to be successful. They also consider the feedback received from the events to inform learning for future events planned.

Recommendation

Members are asked to:

- Note the PB processes that have taken place to date and the feedback from these;
- Consider how the PB approach could be applied to mainstream services;
- Consider how a digital system could complement and enhance the PB process; and
- Consider the potential for further developing a partnership approach around PB.

Designation: Acting Head of Policy

Author: Pablo Mascarenhas

Date: 16.09.16