

Report for Resolution

Report to Cabinet
24 November 2010
Report of Head of Local Neighbourhood Services
Subject Participatory budgeting

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Purpose

To consider the recommendations of the participatory budgeting cross party working group and agree the future development of participatory budgeting

Recommendations

1. That a participatory budgeting programme is implemented during the remainder of 2010-11 that must:
 - reflect the reduced staff resource of the community engagement officers and across the Council as a whole
 - reflect a tighter timeframe with a much more streamlined approach
 - demand less staff resource to implement
 - makes use of “on line” voting as an option which was used in the Bowthorpe pilot programme
2. That officers identify a resource to investigate further how other budgets could fit a PB approach in the future

Financial Consequences

The financial consequences of this report are that the proposals for 2010-11 will be met from agreed budgetary provision

Risk Assessment

Participatory budgeting contributes to the implementation of the Council's neighbourhood model through greater engagement with and empowerment of communities. The models considered are resource intensive in terms of the staff time required to develop and implement, including the capacity building of local volunteers who form steering groups. Participatory budgeting should be a developmental programme and is therefore at risk of successful implementation through the anticipated budget reductions.

Strategic Priority and Outcome/Service Priorities

The report helps to meet the strategic priority “Safe and healthy neighbourhoods – working in partnership with residents to create neighbourhoods where people feel secure, where the streets are clean and well maintained, where there is good quality housing and local amenities and where there are active local communities”

and the service plan priority to allocate £40,000 for further participatory budgeting exercises across the four neighbourhood areas

Executive Member: Councillor Waters - Corporate Resources and Governance

Ward: All

Contact Officers

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Background Documents

None

Report

Background

1. Participatory budgeting (PB) is a mechanism that empowers local people to play a key role in deciding how public money is spent on projects and services in their neighbourhoods. In practice, this can range from funding community groups to deliver projects that are valued by local people to allowing residents to shape what and how mainstream services are delivered in their areas.
2. For PB to be effective it needs to be a developmental process rather than a one-off pilot. Through each cycle the process is refined and improved to reflect the particular local area therefore is a learning process as well.
3. The definition of PB used by the national PB Unit is:
“PB directly involves local people in making decisions on the spending priorities for a defined public budget. This means engaging residents and community groups, representative of all parts of the community, to discuss spending priorities, make spending proposals and vote on them.”
4. Information from the PB Unit indicates that more than 75 areas in England have, or are implementing PB activities ranging from street dance workshops in Stockton to additional neighbourhood police officers in Tower Hamlets, and an anti-bullying programme in Southampton.

The benefits of participatory budgeting

Strengthening and renewing democracy

5. PB builds relationships between residents, councillors and officers and provides an opportunity for a greater role for councillors as community leaders and a mechanism for empowerment and accountability to the electorate. This in turn develops mutual trust.

Building stronger communities and empowering people

6. By involving people in making decisions on money, communities come together and meet others from their community, sometimes for the first time. It has been shown elsewhere that this can foster greater community cohesion. By providing an opportunity for people to vote on how money is spent, they feel more empowered to go on and do other positive actions, have greater ownership of their area and the projects they voted for and have the potential for being future community leaders.

Improving services

7. By involving local people in deciding what public services they want in their local area, services can become more responsive and targeted to local need. This is particularly important in Norwich as PB can enhance engagement between the Council and residents and facilitate neighbourhood working.
8. Residents are often best placed to know their area needs. This can result in solutions to local issues being developed quicker and a sense of shared responsibility between service providers and residents being developed. In a time of financial restraint, PB can also be used to prioritise budgets and target resources more effectively to key services. Involving the community in prioritising resources not only gives them greater understanding of the financial

9. The following are examples from three areas across the county where local authorities have embraced participatory budgeting.

Newcastle – Udecide Programme

Udecide Children and Young People's Pilot –

In Autumn 2006, young people were given the opportunity to allocate funding to issues relevant to young people.

Udecide Liveability Pilot -

After successfully piloting participatory budgeting in three of Newcastle's outer wards since 2006, Newcastle is rolling out PB to five wards in 2008 with different themes using a range of different budgets.

Keighley PB Pilot

Neighbourhood Renewal Funding was distributed into eligible neighbourhoods across Keighley in November 2006 via participatory budgeting. An all-day conference was held in selected neighbourhood renewal areas, with over 250 citizens in attendance. 50 projects (e.g. children's play facilities, home security improvements) were submitted and local citizens voted on which to fund. 42 projects received funding. Citizens then actively engaged in the scrutiny process of project delivery.

Participatory budgeting in Norwich

10. In 2009-10, Norwich City Council was awarded £35,000 from the Norfolk County Strategic Partnership for a participatory budgeting programme. This set out to run PB in three neighbourhoods and where possible through three different mechanisms and themes. Additional monies were allocated to the PB programme from a community safety funding stream to increase the number of awards that could be made.
11. The funds were allocated to the following areas:
- Lakenham & Tuckswood
 - Thorpe Hamlet & Heartsease
 - Bowthorpe
12. Across the 3 areas, 61 applications were received of which 41 were shortlisted by the local steering groups who were set up to help develop and co-ordinate the programmes locally. These proposals were presented to the local communities to consider and vote on. 338 votes were received from local residents identifying 38 to receive funding. 288 local residents attended the decision day events.
13. In February 2010 Council allocated £40,000 to participatory budgeting and agreed to establish a cross party working group to consider the future of participatory budgeting. The members of the working group were Councillors Blakeway (for meeting one only), Waters, Brociek-Coulton, Jeraj, Stephen Little, Collishaw and Wright.
14. The terms of reference of the working group were, "to consider the future development of participatory budgeting, the mechanisms for its distribution and to make recommendations to the Executive".

Recommendations agreed by the working group

15. The working group met on two occasions and considered a range of written information including an evaluation report of the Norwich pilot programme and a 10 year review of PB from the national PB unit. Members also had the opportunity to talk to staff involved in the programme and request further information.
16. From the information considered, the working group agreed a number of recommendations. See appendix 1.
17. The working group also considered how PB could develop during 2010-11 given the following constraints:
 - the lead in time required to develop and implement a programme so that funding as allocated and spent in a current financial year
 - the current budget situation facing the Council
 - PB is a developmental programme and should be considered as part of a wider approach to involve and empower residents, rather than a one off grant award.
18. In considering these, the group agreed two options for recommendation to the Cabinet.
 - To develop and implement a PB funding initiative based on the four areas. This may need to be across two financial years to ensure effective lead in time.
 - Use the budgetary resource in 2010-11 to improve resident participation in the 2011-12 budget setting and integrate the PB process into other service areas and through for example the spend of s106 funding.

Options from other service areas and 106 budgets

19. Whilst £40,000 has been allocated in the general fund budget and a further £11,000 allocated from the county strategic group (community safety) members expressed an interest in exploring how PB could be integrated into other service areas.
20. Historically, residents and tenants have had opportunities to shape Council spend by voting on priorities.

Housing budgets

21. In the past Council tenants have been asked to “vote” on priorities for the housing capital programme. For example in 2005 residents voted to prioritise window replacement. This has resulted in the additional money being targeted at the window replacement programme and has seen the completion date of the programme for the whole of the city move from 2015/16 to 2012 (currently under review). The priorities have then been reviewed on an annual basis as part of the housing capital programme consultation exercise carried out prior to final approval of budgets by the Council.
22. Tenants have also had opportunities to agree how the housing AIMS budget (areas of intensive management which funds environmental improvements) has been spent by highlighting issues that require resolving which are then implemented if feasible and affordable..

Section 106 budgets

23. 106 agreements are agreements negotiated, usually in the context of planning applications between local planning authorities and developers and are intended to make acceptable a development which would otherwise be unacceptable in planning terms.
24. These agreements can be used to secure a contribution from a developer to compensate for the loss or damage created by a development eg loss of open space, or to mitigate a development's impact e.g. increased public transport provision or additional play or open space.
25. The Council holds funds under section 106 agreements for a variety of purposes including play and open space development and tree planting.
26. As the funds are allocated through the planning process and intended to make a development acceptable, the use of the budgets are normally restricted to a specific geographical area and type of work.
27. How they might be allocated would also depend upon the individual terms of each section 106 agreement and if the spend is related to any specific planning policy which could be a key driver for how the funds are spent. This would require further investigation into each 106 agreement and related planning policy and the allocation of the resource to do this.
28. Experience would suggest that the use of a PB approach would also demand increased staff time and the benefits could be achieved by good community engagement from the outset.

The way forward for participatory budgeting in Norwich

29. Participatory budgeting has been shown to be a productive and effective mechanism for engaging with and involving the community. To this end it is a useful tool to progress neighbourhood working.
30. Whilst this is the case, the Members in task and finish group highlighted as a matter of some concern the levels of staff resource that were invested into the pilot PB programme to make it a success, a point also highlighted in a PB toolkit produced by the national PB Unit.
31. During the development and implementation of the pilot PB programme, a significant amount of time of the community engagement officers was reallocated to this work. This resulted in other activities such as developing neighbourhood profiles, community planning, local project work, support to community centres was put on hold or slowed up.
32. The Council is also working within a period of reducing public sector budgets and activities such as PB must reflect and seen to reflect leaner times.
33. It is recommended that a participatory budgeting programme is implemented during the remainder of 2010-11 and it must:
 - reflect the reducing staff resource within the community engagement team and across the Council as a whole
 - reflect a tighter timeframe with a much more streamlined approach
 - demand less staff resource to implement

- makes use of “on line” voting as an option which was used in the Bowthorpe pilot programme

34. It is also recommended that a resource is identified to investigate further how other budgets could fit a PB approach, given that the scale of change taking place within the Council at this time means that the resource is not available at this time to undertake this work. These budgets might include:

- the decision making points of section 106 spend to see how a PB approach might be used for the allocation of these budgets in the future
- how funding from the housing areas of intensive management budget might be allocated through a PB approach in the future

Appendix 1

Recommendations from the member task and finish group on the future of participatory budgeting in Norwich

Funding allocation

1. £10,000 to be made available for each area. No specific allocation to be available to communities of interest or identity.

Steering groups

2. One steering group to be set up for each area to guide and shape the local programmes.

Theme

3. Within the Council's neighbourhood model, community plans may be developed to capture issues and aspirations of local residents. Members felt that there was no requirement to link proposals for funding to themes in community plans when these are developed as these might have resulted from new or emerging issues and/or opportunities that had not been identified through the community planning process.
4. That the PB programme should have an overarching theme of "bringing communities together."

Role of councillors

5. Councillors should be made aware that they can and should participate in the steering groups whilst understanding and declaring interests if they are involved in short listing proposals they are participating in or promoting.

Additional sources of funding

6. Additional sources of funding should be sought to widen the budget available. Options include capital funding from the Safer Norwich Partnership, (this would require the support of local partners); a countywide fund for community safety initiatives (which would require the support from county partners); the Norwich Charitable Trusts; to use section 106 funding (this would be governed by the terms of the 106 agreement) with section 106 funds for play development the most likely where a PB approach might be appropriate. Further work will be required to fully develop these opportunities.
7. Members were keen for service areas to consider how a PB approach could be integrated into their work as a mechanism to gather views and help shape the decision making process.

Themes or parameters

8. Members were supportive that a theme e.g. young people, is preferable as proposals that come forward under a broad theme e.g. to improve the area, are more difficult to evaluate for selection through to the decision making process. How themes are agreed needs careful consideration to ensure they are not single person issues and are broadly reflective of the wider community. This is a role for the steering groups and ultimately could be based upon community plans as the evidence base. The steering

groups should be provided with existing evidence for the areas e.g. the place survey results.

Options vs grants model

9. The preferred option was to use the options or ideas model as it provides an opportunity for residents or groups to ask “why don’t we....” in response to a local opportunity or issue. As this approach is more resource intensive, the contributors would need to provide more information than purely the idea. This might include costs, location, how it might be delivered. It was recognised that this might restrict the accessibility of this model to groups.

Voting mechanisms

10. The preferred option was the approach used in Lakenham where in this case voters allocated marks to 10 out of 15 proposals. In this way, groups who had significant numbers of supporters attending the decision day, who were able to vote, were less able to skew the results. The use “on line” voting was also recommended to widen involvement.

Reaching/engaging more local people

11. How PB programmes reach and engage more people needs to reflect local ideas, knowledge and ingenuity and may include:
 - Use of local networks
 - Use of local community newsletters
 - Circulation of flyers to groups
 - Press articles
12. However it is recommended that a communication plan is prepared as early as possible and consideration given to what overarching PB promotion can be achieved whilst balancing the local approach.

Relationship with the small community grants fund

13. The community grants is focussed on day to day running costs of small community level groups and on that basis has a different target audience. Members agreed that there is a need to widen the knowledge of available grants to communities. PB however, should have a focus of providing a lasting legacy, based on a local need, opportunity or issue.

Resource requirements

14. The costs to run PB includes direct costs of promotional material, venue hire, refreshments (these were minimal in the pilot programmes) and indirect staff costs. The PB pilot programme required high levels of staff and volunteer time. The high staff costs of the pilot events included first time “setting up,” for example methods, systems, publicity and administration required to meet the terms of the grant from the county strategic partnership.

15. Based on the proposals to take forward PB, the staff resource required to develop, run and evaluate a mainstream programme would be less but still require a large investment of staff time to develop the programme in each area and run decision day events. This would bring broader benefits in communities such as capacity building, bringing communities together, identifying potential community leaders, and for the council through greater resident involvement.

Some efficiencies could be achieved by bringing the four steering groups together for training, briefings, communication planning and evaluation.