
Report To:	Policy and Resources Committee	Date:	4 February 2020
Report By:	Ruth Binks Corporate Director of Education, Communities and OD	Report No:	PR/03/p20/TM
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Subject:	Participatory Budgeting in Inverclyde: Evaluation and Next Steps		

1.0 PURPOSE

1.1 This report provides the Policy and Resources Committee with an evaluation of phase 1 of the Participatory Budgeting (PB) approach in Inverclyde and makes proposals for a revised approach towards mainstreaming participatory budgeting in Inverclyde.

2.0 SUMMARY

2.1 This report outlines a revised approach to PB which builds on the Phase 1 PB approach in Inverclyde. It also provides detail on the successes and lessons learned from the pilot model. Appendix 1 gives an overview of how Phase 1 funding was allocated.

2.2 The next phase of PB repositions it as not just a grant-awarding process but as a way of encouraging communities to discuss and deliberate priorities and assist the Council in prioritising its work in localities and across Inverclyde. The revised model focuses on the prioritisation of budgets/services across localities or across Inverclyde rather than the provision of grants, although the model is also compatible with a grant-providing process. A diagram has been provided on how this will work in localities and on an Inverclyde-wide basis and is attached as Appendix 2 to this report.

2.3 Inverclyde's approach to PB will continue to evolve over time and support the Council in its decision-making by empowering communities to work in partnership with the Council to enhance the wellbeing of the people of Inverclyde. The report provides examples of how PB is operating currently in Inverclyde and also highlights, in Appendix 3, areas of budget which would be compatible with a PB approach in the future.

2.4 The revised approach to PB will be implemented throughout 2020/21 and will require a sustained commitment at both officer and Member level to develop the locality model currently being established across Inverclyde.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Policy and Resources Committee:

- notes the evaluation of pilot phase 1 of the PB process in Inverclyde;
- agrees the revised approach to PB in Inverclyde to be implemented by March 2021;
- agrees to use of the current PB earmarked reserve for the establishment of a

temporary CLD worker for 18 months to support the process; and

- agrees that areas of budget that can be taken through the PB process are identified by Committees on an ongoing basis.

Ruth Binks
Director of Education, Communities and Organisational Development

4.0 BACKGROUND

- 4.1 The Community Empowerment (Scotland) Act 2015 requires that Councils establish a framework which enables local people to have a say in how defined budgets can be used to address local priorities. The Act provides a range of powers to strengthen communities to make decisions on issues that matter to them. Importantly, it makes provision for public participation in local decision making and the role that participatory budgeting can play to advance this.
- 4.2 COSLA and the Scottish Government have a framework agreement that at least 1% of a local authority's budget should be allocated through a PB approach by March 2021. This agreement establishes a commitment for PB to be embedded as a natural way of working in local government. Nationally, this will result in around £100m of core local government grant funding, both capital and revenue, being influenced and directed through deliberative community participation.
- 4.3 PB can play a significant role in sustaining the Council's future role in public life. The Christie report in 2011 highlighted the four pillars of the future delivery of public service and PB is compatible with this approach:

Partnership: PB requires collaboration across organisations and can provide new opportunities to local governance partnerships;

Participation: PB can enable significant participation by citizens and communities and can provide a platform for communities and citizenry that are becoming less trusting in, and less deferential towards, traditional forms of local democracy;

Prevention: PB can open up space for rethinking priorities so the difficult decisions that the Council is struggling to make through for example the budget process can be addressed through open public deliberation. PB can often bring to the surface local knowledge which may help to tackle problems relating to inequalities; and

Performance: PB can improve a Council's performance by increasing transparency, monitoring and scrutiny of how money is spent. Like the area of prevention above, it can also foster local creativity and collaboration to articulate new solutions and activities.

- 4.4 Like many Councils across Scotland, Inverclyde's approach to PB in phase 1 was a grants-based 'aggregative' model. Inverclyde Council provided a total of £350k (£50k per ward) in which community groups or projects could bid for funding through the PB process. Community learning and development (CLD) led the support to communities by engaging with every community hub, community council, a number of faith groups, uniformed organisations and a range of third sector providers.

5.0 EVALUATION OF PHASE 1

- 5.1 Since phase 1 concluded, informal discussions have taken place with local communities and other stakeholders on the successes and areas for development around Inverclyde's approach to PB.
- 5.2 Feedback indicates that the process to date has seen some success in engaging with residents and a range of community groups, some of which had no prior working links with the CLD service. Other successes from Phase 1 include:

- improved community engagement due to additional funding having been put into wards for community initiatives;

- some innovative projects being developed which would otherwise not have received funding, for example, environmental improvements to Auchmountain Glen and funding provided to heritage groups and programmes;
- increased use of CCTV in some areas to enhance perceptions of community safety;
- community events taking place in all localities;
- the grants generating stakeholder interest;
- improved partnership working between the Council, communities and organisations such as CVS;
- positive relationships being formed with organisations which the Council had not worked with previously; and
- the Council receiving ongoing feedback on the PB process and community engagement.

5.3 In terms of marketing and communication of Phase 1, there was a consistent approach to communication and branding of PB across Inverclyde which was actively supported by activity by CLD to increase interest and participation. As a result, 36 applications for funding were received and put forward for voting.

5.4 The voting process consisted of a traditional, paper-based format with boxes or manned stands in over 14 locations across Inverclyde. Voters were asked to give preferences (1st, 2nd, 3rd) on the community initiatives they wanted to see receive funding. Appendix 1 provides information on the results of the voting and where awards were made.

5.5 Given the successes of the pilot phase of PB in Inverclyde, the future approach will build on these successes, particularly those relating to increased engagement of communities and the positive relationships which were established between the Council, communities and organisations such as CVS.

5.6 While the Phase 1 approach in Inverclyde of a grant-based model of PB has been the approach used by many Councils, there were also a number of challenges in taking PB forward in this way. Some of the challenges were:

- some community groups were critical of the approach taken in that the voting process was confusing, particularly when the results were announced;
- that the timescale around the process was viewed as too tight with insufficient time given for preparation for both the groups and our own Elected Members and officers;
- communication with communities in terms of improving their understanding of the concept of PB or what it is meant to achieve;
- an insufficient number of venues in which to support the voting process and the absence of online voting which meant that some residents had to travel considerable distances to vote;
- voter numbers being variable between localities meaning that in one ward a fewer number of votes would generate the same amount of grant which in another ward would have required greater support;
- the capping of grants at £50k per ward meant that many groups missed out (for

the reasons given above);

- tactical voting by some groups (voting for themselves) meant that some well-known groups received the most funding;
- some community groups expressing the view that the focus should be working together to achieve better outcomes rather than competing with each other for funding; and
- that it was not made sufficiently clear to Elected Members what their role was in the process. As a result, there requires to be improved engagement with Elected Members to ensure they continue to play an important role in the process.

6.0 PROPOSAL: INVERCLYDE'S APPROACH TO MAINSTREAMING PARTICIPATORY BUDGETING

- 6.1 The most recent citizens' panel survey indicated a downward trend in communities' perceptions that the Council takes residents' views into account when making decisions that affect their local areas. Similarly, only 30% of respondents felt they can influence decisions affecting their local area. PB in Inverclyde should therefore be seen as a positive, progressive and adaptable process which will help the Council re-engage with its communities and give them more say in decisions that matter to them.
- 6.2 There are a few very good, recent examples of community engagement around spend and prioritisation in Inverclyde which could currently be viewed as PB. The recent decisions around the allocation of £80k to Park Farm to improve its multi-use games area and the involvement of the Grieve Road Community Centre Committee in how £200k should be spent to improve the facility, are both examples of participatory budgeting. The budget simulator process, engagement with communities around priorities and budgets and even schools' consultation with its stakeholders around spending of their pupil equity fund can all be viewed as forms of participatory budgeting. However, if PB is to be mainstreamed with continued engagement from communities, it must move beyond supporting the Council to make difficult decisions such as those around savings.
- 6.3 There is therefore a good foundation on which to build a sustainable model of PB in Inverclyde. Our future approach aims to find a balance between encouraging the direct participation of our residents while at the same time accepting that many are content with Elected Members representing their views on their constituents' behalf. It is therefore of critical importance that Elected Members continue to participate in and support the development of locality planning across Inverclyde.
- 6.4 The key differences between the approach taken in phase 1 and our future approach is that we will provide better opportunities for our citizens to discuss and deliberate issues and priorities through the locality planning arrangements before providing the wider community with the opportunity to express their preferences through voting. We will enhance the methods by which community members can vote by using electronic and on-line voting. Similarly the revised approach will also be compatible with deciding what is prioritised in a locality and what would be better considered on an Inverclyde-wide basis.
- 6.5 The six new locality groups being established play an important role in progressing PB in Inverclyde. These groups, once formed will provide a meaningful vehicle for debate and deliberation at a local level on what services should be provided, prioritised, and may at some point in the future, decide on how grants are allocated. PB will be linked to the priorities set out in locality plans. Locality groups will develop as a partnership between community groups/community councils/residents and Elected Members and will be supported in their development by the communities team from CLD services.

- 6.6 Currently, locality groups are being established in partnership with CLD, Your Voice, CVS and Branchton Community Committee. Going forward, CLD will take a more active role in supporting the establishment, maintenance and development of **all** locality groups across Inverclyde to ensure they are supported to work towards achieving the shared aims of the locality, the Council and HSCP as well as supporting future PB activity. Work will commence in the next financial year to revise service level agreements with these organisations to ensure that supporting locality planning and PB forms part of the funding agreement between them and the Council.
- 6.7 Positive work is ongoing with the HSCP, CLD, community organisations and the community planning team to support the ongoing development of locality planning groups and the role of PB in this process.
- 6.8 It is recognised that the development of a sustainable model of participatory budgeting, which ensures communities are supported to participate in the process and which also meets the requirements of the agreement between COSLA and the Scottish Government, requires to be sufficiently resourced. It is therefore proposed to use the balance of the current PB earmarked reserve to increase the capacity of the communities team within CLD for the next 18 months to support the process.
- 6.9 In addition, a dedicated page on the Council’s community planning areas of the website is currently under development. This will provide information on, and current examples of, PB and also any current or forthcoming PB opportunities to encourage involvement. Linked to this will be the use of Citizen Space which will be used as the platform for on-line community engagement, surveys and online voting.
- 6.10 **Appendix 2** provides a schematic of the stages in the revised participatory budgeting approach. In essence, the first pathway would be used where decisions on areas of capital spend or other discretionary budgets could be prioritised on a locality basis. Recognising that some areas of spend can only be considered on an Inverclyde-wide basis, the second pathway could be used. If in the future, the Council decides to allocate grants, both pathways are compatible.
- 6.11 **Appendix 3** provides examples of the types of funding which could be considered for PB. It is recommended that the Committees will consider on an ongoing basis areas of budget which can be put through the PB process. The outcome of these will be reported to the Policy and Resources Committee on an ongoing basis.
- 6.12 **Appendix 4** provides a few examples of practices which have been adopted by other authorities.

7.0 IMPLICATIONS

7.1 Finance

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Earmarked Reserves	PB	2020/22	60k		Funded from the remaining balance of the reserve

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

7.2 Legal

None

7.3 Human Resources

Creation of 1FTE CLD worker for 18 months.

7.4 Equalities

Equalities

(a) Has an Equality Impact Assessment been carried out?

	YES
x	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report’s recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report’s recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
x	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
x	NO

7.5 Repopulation

Participatory budgeting could be utilised to increase participation rates in community decision making and prioritise initiatives to attract people to the local area.

8.0 CONSULTATIONS

8.1 N/A

8.0 BACKGROUND PAPERS

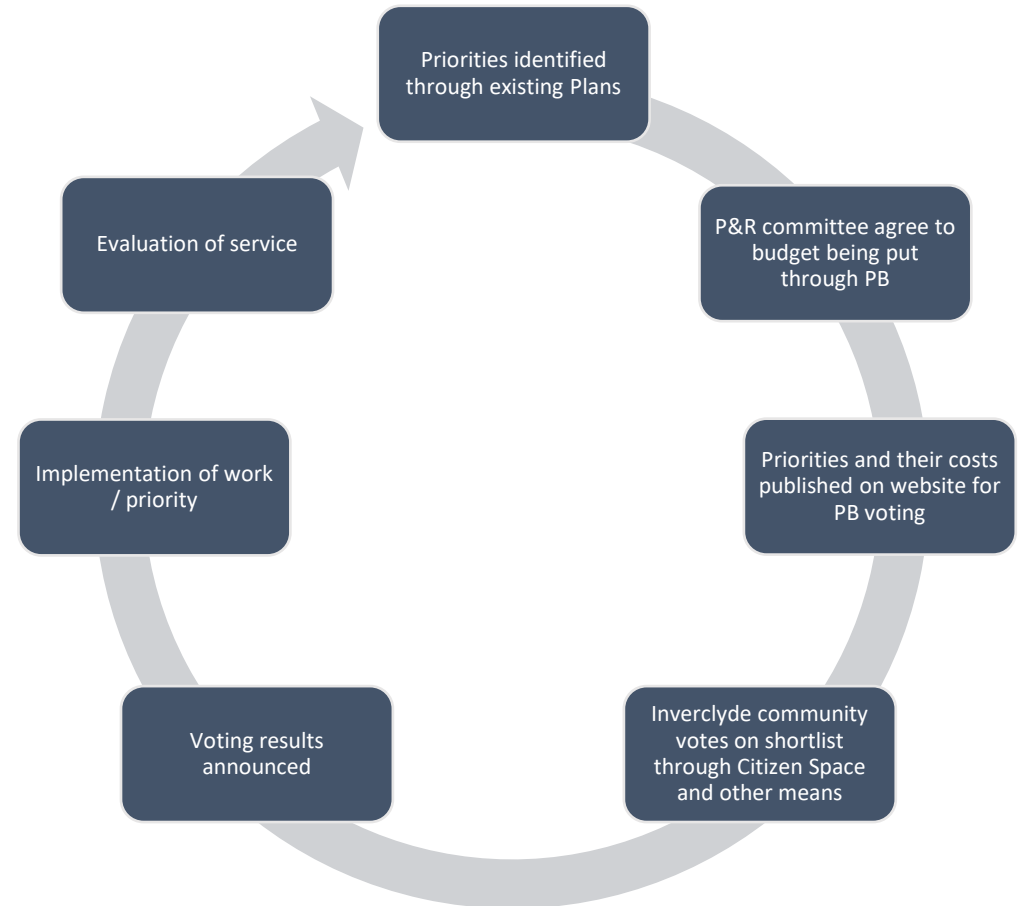
8.1 None

Ward 1	Allocation	Total Votes	No of People Voting	Votes Cast (x3)	Eligibility Threshold (10%)
Port Glasgow Community Association	£13,000.00	8	26	78	8
Greenock Morton Community Trust	£13,049.00	13	See Note 1		
Kilmacolm Art Class	£500.00	17			
Kilmacolm Playgroup and Toddlers	£3,760.34	23			
St Marys Episcopal Church	£1,410.00	15			
Allocation		£31,719.34			
Ward 2	Allocation	Total Votes	People Voting	Votes Cast (x3)	Eligibility Threshold (10%)
Gibshill Community Centre	£16,004.00	60	131	393	40
Parklea Bowling Club	£2,100.00	63			
Port Glasgow Bowling Club	£12,300.00	109			
Port Glasgow West Community Council	£13,000.00	81			
Allocation		£43,404.00			
Ward 3	Allocation	Total Votes	People Voting	Cast (x3)	Threshold (10%)
Auchmountain Resource Centre	£7,150.00	102	147	441	45
Craigend Resource Centre	£25,200.00	88			
Kings Oak Parent Circle	£2,000.00	68			
Auchmountain Glen Project	£10,000.00	71			
Allocation		£44,350.00			
Inverclyde Music Festival Association	£2,000.00	24	See note 3		
Belville Community Garden Trust	£12,600.00	61	See Note 2		
Unallocated		£14,600.00			
Ward 4	Allocation	Total Votes	People Voting	Cast (x3)	Threshold (10%)
Caddlehill Allotment & Gardens	£7,000.00	37	84	252	26
Fort Matilda Bowling Club	£25,000.00	38			
Clydeside Athletic FC	£2,387.60	26			
Allocation		£34,387.60			
Unallocated		£14,600.00			
49f Greenock Squadron ATC	£10,823.00	23	See note 3		
Greenock Central Residents Action Group	£26,009.74	15			
Mind Mosaic Counselling & Therapy	£12,600.00	15			
RIG Arts	£5,311.00	20			
Unallocated		£54,743.74			

Ward 5	Allocation	Total Votes	No of People Voting	Votes Cast (x3)	Eligibility Threshold (10%)
Gourock Golf Club	£16,589.00	154	225	675	68
Gourock Park Bowling Club	£15,200.00	147			
Gourock Heritage & Arts	£16,896.00	94			
Allocation	£31,789.00				
Gourock Creative	£23,500.00	75	See Note 2		
Inverclyde Cricket Club	£1,740.00	91			
Unallocated	£25,240.00				
Ward 6	Allocation	Total votes	No of People Voting	Votes Cast (x3)	Eligibility Threshold (10%)
33rd Greenock & District Scout Group	£9,065.00	72	157	471	48
Children in Poverty	£9,375.00	91			
Inverkip Community Initiative	£12,000.00	103			
Wemyss Bay Community Association	£10,000.00	97			
Allocation	£40,440.00				
Branchton Community Centre	£10,000.00	41	See note 3		
Unallocated	£10,000.00				
Ward 7	Allocation	Total Votes	No of People Voting	Votes Cast (x3)	Eligibility Threshold (10%)
Alzheimer Scotland - Action on Dementia	£2,000.00	17	17	51	6
Inverclyde Gaelic Learners Group	£25,000.00	15			
Allocation	£27,000.00				
Note 1: Voters present at each event were able to cast their preference votes (1-3). The "Eligibility Threshold" is calculated as 10% the total number of available preference votes. When the total funding allocation for eligible projects in each Ward exceeds £50K, the Rank Order is determined using a 3/2/1 points weighting.		Funding: Total available: £350,000; Total allocated: £253,090; Total carried forward to Phase 2: £96,910.			
Note 2: The projects listed did not receive a grant allocation. While they achieved the required 10% of the community vote, their rank order would have exceeded the £50K per Ward allocation. Please note projects listed in rank order after weightings applied.					
Note 3: The projects listed did not qualify for grant funding on the 10% community vote criterion.					

Pathway 1 – developing ideas and projects from locality plans

Pathway 2 – prioritising budgets on an Inverclyde-wide basis



APPENDIX 3

Potential areas of budget / activity which may be compatible with a PB approach

Main PB area	Provision or prioritisation of local services / initiatives	Grants to voluntary organisations	Pupil Equity Funding in schools
Criteria and Service Areas	Budget consultation CCTV and community safety Community facilities' upgrades Grounds maintenance Breakfast clubs / before school clubs Parks and playparks Roads Libraries Arts and culture Transport Capital spend allocation Regeneration funding Repopulation fund Poverty fund	Grants awarded by either elected members or locality groups to support voluntary organisations' contribution to: Improving the local, physical environment Improving wellbeing, sport and health Improving culture and heritage Improving community cohesion Improving participation (examples only)	As per national guidance Restricted to HT / parent council / pupils consultation

APPENDIX 4

There are a number of examples of Councils in Scotland using PB as a process to help them respond to complex local issues. Some of these are detailed below:

Dundee Decides 2018

Dundee City Council allocated £1.2m of the Council's capital budget through PB. Each of the electoral wards were allocated a total of £150,000 to 'spend' on infrastructure improvements. Around 11k voters decided on particular projects from improved street lighting in some areas to dropped pavements play park improvements and tree-planting. Some areas also voted for feasibility studies to be done to improve walkways.

Western Isles Transport

Here there was an allocation of £500,000 from the transport budget decided through PB. Following consultation with communities around existing provision, the results were passed to bus service providers to inform the tendering process. Tenders were then assessed and awarded by resident groups. The Council has stated that the process demonstrated that residents are perfectly capable of engaging with complex information and coming to reasoned decisions. The Council is now looking at particular areas in can include PB.

Your Stirling You Decide

Stirling Council allocates £100k to each of its wards as part of its PB process, 'Your Stirling, you decide' and this year, budget was allocated for projects to improve infrastructure and the local environment. It has designed its process around the idea of 'budget delegates' who are community members. Members of the public submit ideas, and these are turned into projects by a project team and budget delegates. These projects were then put out to the public vote.