
Report To:	Policy and Resources Committee	Date:	20 September 2022
Report By:	Corporate Director, Education, Communities and Organisational Development	Report No:	PR/20/22/TM
Contact Officer:	Tony McEwan	Contact No:	01475 712828
Subject:	Progress Report on Participatory Budgeting in Inverclyde		

1.0 PURPOSE AND SUMMARY

1.1 For Decision For Information/Noting

- 1.2 The purpose of this report is to update the Policy and Resources Committee on the progress the Council is making in relation to participatory budgeting (PB) and its progress in achieving the framework agreement of 1% of its budget being subject to PB each year. In 2021/22, over £4m of the Council's budget was subject to consultation with communities, some of this through participatory budgeting.
- 1.3 Services across the Council continue to look for opportunities to use PB as a way of supporting their decision-making processes and although the 2021/22 target was achieved, it remains challenging for services to identify suitable budgets to be determined through a PB approach. This will remain the position as the Council works towards addressing its significant funding gap in the next few years.
- 1.4 Nevertheless, there remains opportunities for communities to engage in participatory budgeting in relation to one-off funding for programmes which are funded by government or other external organisations and service directorates remain committed to using PB as an approach to support committees' decision-making.

2.0 RECOMMENDATIONS

2.1 It is recommended that the Policy and Resources Committee notes:

- the Council's progress in achieving the 1% framework agreement in 2021/22; and
- that Council officers continue to look for opportunities to use PB to support its decision making in 2022/23.

Ruth Binks
**Corporate Director, Education,
Communities and Organisational Development**

3.0 BACKGROUND AND CONTEXT

- 3.1 In 2017, COSLA agreed to the Community Choices 1% Framework Agreement whereby at least 1% of local government budgets will be subject to PB by the end of 2021. This agreement and timeline have since been revised to recognise the impact of the COVID-19 pandemic upon local government, people, and communities. Whilst the target to allocate at least 1% via PB remains, there is a degree of flexibility available to Councils as to when they can practicably meet it.
- 3.2 In 2021/22 the Council continued to build on its approach to PB and used a number of methods to engage communities in the allocation of services for 2021/22, and also into this financial year. A key part of our community engagement is the working with our established communication and engagement groups. In 2021/22, the communication and engagement groups were provided with opportunities to discuss and deliberate the setting of priorities in the following areas:
- The distribution of £120,000 across the six localities in relation to activities to support Inverclyde's Meliora festival;
 - £400,000 of funding to support the Roads Asset Management Plan; and
 - Year 2 of the Council's £1.08m anti-poverty funding;
- 3.3 As a result, communities participated in informing the setting of budget priorities to the value of £1.6m in 2021/22, narrowly missing the 1% framework agreement of £1.78m. This does not include the consultation the Council undertook on the £2.5m savings exercise the same year.
- 3.4 Each year, the Council provides a return to COSLA outlining its progress in relation to meeting the framework agreement of 1%. This year's return forms appendix 1 to this report.

4.0 PROPOSALS

- 4.1 Services have been working together in the past few months to explore further opportunities for participatory budgeting in 2022/23. Some key areas which are currently being explored relate to; the use of elements of Pupil Equity Funding in schools; the development of the Scottish Government's affordable childcare policy; and the commissioning of some services through the HSCP, and continued work around roads, parks and open spaces. Proposals in relation to these areas will be considered by the respective service committees in the coming months and progress reported to Policy and Resources Committee.
- 4.2 Given the significant challenges the Council faces in relation to its projected budget gap in the next few years, participatory budgeting and reaching the 1% framework agreement each year will remain challenging. For example, the budget savings exercise for 2023/25 will have an impact on the prioritisation of services and may leave fewer opportunities for participation as the Council focuses on the delivery of its statutory and key services. This is against an increased target figure of £1.966m in 2022/23. Nevertheless, officers continue to look for new opportunities to work with our communities in the setting of their priorities, particularly when external funding is allocated from government or other organisations.

5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO	N/A
Financial		x	

Legal/Risk		x	
Human Resources		x	
Strategic (LOIP/Corporate Plan)		x	
Equalities & Fairer Scotland Duty		x	
Children & Young People's Rights & Wellbeing		x	
Environmental & Sustainability		x	
Data Protection		x	

5.2 Finance

There are no direct financial implications from this report.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

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

5.3 Legal/Risk

Although not statutory, there is a continuing risk that the Council may not meet the requirements of the Framework Agreement each year.

5.4 Human Resources

None.

5.5 Strategic

None.

6.0 CONSULTATION

6.1 None.

7.0 BACKGROUND PAPERS

7.1 N/A.



**PARTICIPATORY BUDGETING REPORTING 2021/22
(Referred to as Community Choices in the Framework Agreement)**

GUIDANCE FOR LOCAL AUTHORITIES IN SCOTLAND

CONTENTS

	Page
A) Introduction	1
B) Completing the PB Proforma	1
C) Further Support	3
Proforma Reporting Template	4
Annex A	

A. Introduction

1. In 2017, [COSLA and Scottish Government agreed](#) that at least 1% of Local Government budgets would be subject to participatory budgeting by the end of 2021. In 2021, COSLA leaders [reaffirmed their commitment](#) to meeting the 1% target following political agreement of flexibility following the COVID 19 pandemic. For clarity the framework agreement referred to 'Community Choices', the brand name for participatory budgeting in 2017. Throughout the rest of this document we will refer to participatory budgeting (PB)
2. Successful PB requires political will, buy-in from senior management, interest from civil society, citizens and the local community, a defined budget, clarity of purpose and a clear definition of the rules. As PB can take many shapes and forms and covers a range of mechanisms, different PB models exist (for example, it may be referred to as 'Community Choices') . Therefore flexibility of approach is left to individual local authorities.
3. The PB target of 1% is not necessarily about local authorities identifying a separate and/or additional resource. It is principally about involving communities in decisions regarding *existing* resources. The 1% is the minimum target set and can be made up of revenue and capital expenditure.
4. To ensure a shared understanding of the 1% target, within the jointly agreed Framework (approved by COSLA Leaders in Oct 2017) this is defined as **'total estimated expenditure for revenue, as per the Local Government finance circular, less assumed council tax intake**. It is considered reasonable to exclude council tax as it is a local tax and therefore already directly and locally accountable. This is the basis of calculating individual targets **only** – Councils can plan locally as to how the target is reached, across a variety of services areas, with no prescription as to whether this is capital or revenue or what area of the budget it may cover.

B. Completing the PB Reporting Proforma Template

5. Local authorities are requested to complete one proforma template at Annex A per local authority and return this to COSLA by the due date of **Friday 26 August 2022**. The template is based on the previously used template for Efficient Government Reporting (also co-ordinated and collated by COSLA).
6. Additional guidance on completing the template is provided below:
 - i. Authorities are asked to return the completed template to COSLA by the due date. This exercise is intended to give a high level summary of PB which COSLA use to publish aggregate figures on progress. Please return one per local authority
 - ii. Under point 2a ("Total council budget subject to PB") of the template, authorities should enter one figure for financial year 2021/22, using the methodology defined in para 4 above. If the total budget subject to PB is different from the target please use 2b to outline the figure.
 - iii. Under point 4a (Summary of key PB activity) and point 6 (Evidence) of the template, authorities should only provide a broad narrative along the lines suggested by the prompts included on the template. The narrative should however be supported by evidence to demonstrate that citizens and communities were the key decision makers in PB activity.
 - iv. Under point 4b councils should provide the total number of community members participating in PB activity e.g. voting or associated deliberative processes.

- v. Under point 5 (“Breakdown of revenue or capital subject to PB during 21/22”), add rows as required. Please ensure that the total, across revenue and capital, is as close to the target under point 2a or as outlined at 2b as possible
- vi. COSLA requests that the statement be signed by the Chief Executive.

C. Further Support

For queries related to PB reporting please contact:

Katey Tabner

Policy Manager Participatory Budgeting

katey@cosla.gov.uk

For financial reporting queries please contact:

Joanna Anderson

Policy Manager Local Government Finance

0131 474 9329

joanna@cosla.gov.uk

June 2022

PARTICIPATORY BUDGETING ACTIVITY IN 2021/22

1	Local Authority Name	Inverclyde Council
2a	LA target figure defined as 1% of 'total estimated expenditure for revenue, as per the Local Government finance circular, less assumed council tax intake.	£1,785,190
2b	Total council budget subject to PB in 2021/22 which may be different to the target set above. This figure should correlate total revenue and capital budgets outlined in section 5.	£1.6m
3	Please outline your council's corporate approach for PB and intended outcomes?	<p>Inverclyde Council's vision for PB is that it will provide a means for communities to discuss and deliberate priorities and assist the Council in prioritising its work at a locality level and across Inverclyde. The Council has developed a PB model which focuses on the prioritisation of budgets/services.</p> <p>To achieve this, community led Communication and Engagement Groups have been established in each of Inverclyde's six localities and they play an important role by providing a meaningful vehicle for debate and deliberation at a local level.</p> <p>To facilitate the development of an Inverclyde wide approach, the Council is using the online platform CONSUL.</p> <p>Proposed outcomes:</p> <ul style="list-style-type: none"> • Local communities are involved in deciding what services are prioritised; and • Inverclyde residents are able to inform the setting of priorities for key Council services such as the roads asset programme.
4a	Please include a high level summary of your council's key PB activity in 2021/22 <i>Please note this is also an opportunity to demonstrate strategic and operational work, outwith specific budgets, required to progress PB.</i>	To progress the implementation of Inverclyde's PB model in 2021/22, a pilot PB exercise was carried out on aspects of the roads asset management plan (RAMP). Members of the public were given a combined list of 9 carriageways and 18 footpaths from across Inverclyde and asked to prioritise them from 1-6. The results of the PB exercise informed the carriageways and footpaths that were chosen for repair and resurfacing work as part of the 2022/23 RAMP using additional funding of £400,000. 906 community members engaged with this PB exercise.

Participatory Budgeting was used to award grants to support Inverclyde's Meliora festival which took place in 2022. This festival was established to celebrate Inverclyde and is a key strand of community recovery following the COVID-19 pandemic. The Council invited constituted groups and non for profit organisations to apply for a local community funding grant to help deliver a local community event as part of the Inverclyde Meliora Celebrations for 2022. A fund of £120,000 was split across the six localities with each locality given £20,000 to run events in their area. A participatory budgeting approach was used to enable the public to vote for the events that they wanted to see take place in their locality. Over 1330 votes were cast during this PB exercise.

Feedback from Inverclyde residents informed the initiatives that were taken forward in year 2 (2021/22) of the Council's Anti-Poverty Fund. This is a 2 year fund for £2,160,000 with £1,080,000 allocated to year 1 and year 2. In 20/21 the Council held six digital based community listening events in each of Inverclyde's localities and carried out an online survey to obtain the views of local communities on changes that could be made to mitigate poverty, deprivation and inequalities. Over 1300 community members engaged with the PB exercise.

Although not considered to be participatory budgeting, the Council remains actively consultative each year and involves our communities to participate in the budget setting and savings exercised. For example, to inform the Council's 2022/23 budget, Inverclyde residents were asked for their views on how a £2.5m funding gap should be bridged. 6 online community listening events were held across Inverclyde and an online survey was made available via the Council's web site. The feedback was used to inform decision-making for the 2022/23 budget. Over 50 community members attended the listening events.

The Council will continue to consult with Inverclyde residents as it works towards its 2023/25 budget and savings exercise.

The Council developed and implemented CONSUL during 2021/22 and now has an online platform which is being used to support community engagement. There are over 400 CONSUL users.

		To obtain buy from senior management and Elected Members, regular progress reports were submitted to the Council's Corporate Management Team and Policy and Resources Committee. In addition, a briefing session was held for Elected Members in November 2021.	
4b	Total number of people participating in your council's PB activity	3,586	
5	Breakdown of revenue and/or capital subject to participatory budgeting during 21/22		
	Service Area	Revenue (£000,000)	Capital (£000,000)
	Anti-Poverty Fund	£1,080,000	£
	Roads Asset Management Plan	£	£400,000
	Meliora Community Fund	£120,000	£
	TOTAL	£1,200,000	£400,000
6	If the target (defined at 2a) has not been achieved, please summarise the main challenges	Although the framework target was achieved in 21/22, there are significant challenges ahead in terms of planning for PB, as the Council addresses its projected budget gap.	
7	Evidence: What performance measures and/or quality indicators did you use to assess the impact/success of PB activity?	An evaluation of each PB exercise was carried out to determine its impact and success and also to enable the Council to learn what worked well and what didn't in order to inform future PB exercises.	

Signed

(Chief Executive or equivalent)

Date