

ANGUS COUNCIL

POLICY AND RESOURCES – 8 JUNE 2021

PARTICIPATORY BUDGETING

REPORT BY ALISON SMITH - INTERIM DIRECTOR OF COMMUNITIES

ABSTRACT

This report provides an update on the Participatory Budgeting process undertaken in 2019/20 – Choice for Angus and proposes a revised approach to Participatory Budgeting in 2021/22 as a result of lessons learned and taking account of the impact of the global Coronavirus pandemic.

1. RECOMMENDATION(S)

It is recommended that the Council:

- (i) notes the work on Participatory Budgeting to date;
- (ii) agrees to the extension of timescales to spend allocations from the 2019/20 Choice for Angus process;
- (iii) agrees that activity using identified Participatory Budgeting monies in 2021/22 focuses on addressing inequalities aligned to recovery and renewal post Covid; and
- (iv) agrees the process set out in Section 5.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/COUNCIL PLAN

Participatory budgeting activity contributes to the following local outcomes in the Community Plan 2017-2030 and Locality Plans:

ECONOMY

- An inclusive and sustainable economy
- A skilled and adaptable workforce
- Attractive employment opportunities

PEOPLE

- The best start in life for children
- More opportunities for people to achieve success
- Improved physical, mental and emotional health and well-being

PLACE

- An enhanced, protected and enjoyed natural and built environment
- A reduced carbon footprint
- Safe, secure, vibrant and sustainable communities

3. BACKGROUND

Participatory Budgeting is a way for communities to have a direct say in how Local Authorities spend their money. Participatory Budgeting is a tool for community engagement and a resource to build on the wider development of participatory democracy in Scotland. It can:

- Support the principle of Public Service Reform that says people should have equal opportunity to participate in decisions shaping their local community and society;
- Complement aspirations in the Community Empowerment (Scotland) Act 2015 to give communities more powers to achieve their own ambitions;

- Help deliver the Public Sector Equality Duty by advancing equality of opportunity and fostering good relations between different groups:
- Help deliver on the outcomes in Scotland's National Performance Framework that "we live in communities that are inclusive, empowered, resilient and safe" and "we tackle poverty by sharing opportunities, wealth and power more equally".

On 29 October 2017 CoSLA Council Leaders agreed that at least 1% of local government budgets will be subject to participatory budgeting by the end of 2021 giving communities more influence than ever to make decisions on how funding is spent in their localities. This agreement is principally about involving communities in decisions regarding existing resources, it is not about local authorities identifying a separate and/or additional resource. https://www.cosla.gov.uk/data/assets/pdf_file/0025/18484/17-11-03_cwb_item_09_-_participatory_budgeting.pdf

The 1% is the minimum target set and can be made up of revenue and capital expenditure. It is for individual councils to decide how to take this forward at a local level to reach the target. The 1% target 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. For Angus in 2021/22 this equates to just over £2.2 million.

Since 2015 the Council has led a number of small grants-based PB initiatives with discreet amounts of money. These included initiatives in Brechin, Montrose and through the Power of Youth. Some of these initiatives were funded by Community Planning partners including Angus Health and Social Care Partnership.

In parallel, over the past two years the council has engaged in learning from other examples of PB which has involved:

- Study visits to successful PB initiatives in Scotland and the north of England
- Exploratory work on making the transition from grants-based activity to mainstreaming
- A learning event for Community Planning partners

As part of its budget process, Angus Council committed £460,000 to support the development of Participatory Budgeting in the four Angus Localities. The funding was linked to the goals and aspirations articulated in Locality Plans published in October 2017. The overall priority was to:

- Be more responsive to the needs of communities
- Develop services and plans through direct engagement with citizens and communities
- Shift resources towards outcomes and priorities set out in Locality Plans

The work to design and undertake the process of participatory budgeting at the local level was to be carried out by the Locality Partnerships and in 2019/20 £50,000 was allocated to each of the four Locality Implementation Partnerships to deliver Participatory Budgeting in the style of small community grants. Each partnership was remitted to design and manage their own local process. The intention was that a further £65,000 would be made available in 2020/21 to continue the small grants process.

Whilst the funding for the process was provided by the Council, in accordance with the principles of PB it was important that decisions about: the process to be followed; the engagement undertaken; the shortlisting of the projects; and the voting process were designed by the four different Locality Partnerships to reflect the different needs and priorities of the four areas. Early in the process, however, it was identified that whilst having four separate processes in Angus would potentially generate greater learning opportunities through the variety of approaches taken, it may also lead to some confusion. As a result, a strategic decision was made to ensure that there was some consistency across the county in terms of having only one voting day and having consistent branding.

144 groups across Angus were involved in developing projects/proposals for a share of the 2019/20 allocated £200,000 and the process, now known as Choice for Angus, resulted in a voting day on the 8 February 2020. Around 14,000 votes were cast either electronically or in person and as each person had three votes, around 4,700 people voted. This was deemed a very positive level of local engagement.

144 proposals were received across all four localities with a total funding ask of £684,198. The Locality Partnerships and community representatives supported by officers assessed the proposals against a set of criteria bespoke to the priorities of the four areas with suitable projects then being put forward for the voting process. As a result, funding was distributed as follows:

- 71 projects received full funding
- 4 projects received part funding
- 68 projects were unfortunately not funded
- 1 project was withdrawn

4. CURRENT POSITION

Funding was distributed before the end of the 2019/20 financial year. In mid-March 2020 however, the global Coronavirus pandemic resulted in full national lockdown with associated travel restrictions and social distancing. This inevitably had an impact on the ability of groups to spend the funding they had received. On the 26th March 2020, officers wrote to all successful applicants advising that on the basis of current information, a three-month extension would be given to enable groups to spend the money. The pandemic and associated restrictions have now lasted for much longer than was anticipated at the time, and further clarity was given to groups in November 2020 when they were contacted again by officers. This time, officers enquired as to whether monies had been spent or if plans to spend the money had changed, with the aim of ensuring that any altered plans still adhered to achieving the outcomes set out by the Locality Partnerships at the start of the process.

In general, groups were simply delayed in spending monies allocated, although some groups had to amend their proposals in light of social distancing rules.

While some monies allocated in 2019/20 have still to be spent there cannot be a full evaluation of the processes undertaken in terms of their achievement of the outcomes set by the Locality Partnerships. This will be done in due course. For the process overall though it is clear that there was more community interest and higher voting turnout in areas where there had been least restrictions and guidance on eligibility. It was also observed that when voting, communities were prepared to vote for projects that didn't necessarily address council or partnership priorities, for example addressing unemployment.

The global pandemic and associated restrictions have also had significant implications for progressing the process in 2020/21. The Locality Partnerships have not met since March 2020 and council staff resource to support such work was redistributed to help initially with the HAART response, which has now evolved into the ARC (Angus Response to Covid). The Communities teams have also resumed their Community Learning and Development work where this has been possible as this work is vital in supporting vulnerable people as we move from Covid response to recovery.

Covid restrictions and the diversion of resource to Covid related activity meant that the 2020/21 participatory budgeting process was not undertaken. There were significant lessons learnt from the 2019/20 process which took some time to establish. Whilst some upskilling happened earlier in the year, the designing and bidding process happened in a short timescale to enable the process to be completed by the year end. This caused particular issues in terms of the extent and level of engagement and communication. Officers considered that beginning the 2020/21 process towards the end of the calendar year would mean that the same issues would be encountered, and sufficient time would not be available to enable proper engagement in the process.

Subsequently, further lockdowns have been in place which would have meant that any work undertaken would have been significantly impacted.

5. PROPOSALS

As a result of the delays in progressing grant based Participatory Budget work in 2020/21 the £65,000 per locality that was to be used for Participatory Budgeting activity in 2020/21 has been rolled forward to be used in 2021/22. This funding is earmarked for this use in the General Fund Reserve and can therefore be used flexibly across financial years. This would exhaust the previously budgeted £460,000 committed by the Council to support the development of Participatory Budgeting in the four Angus Localities.

It is also proposed that given the experience of 2019/20 Choice for Angus activity in 2021/22 should focus on addressing inequalities in the four localities aligned to recovery and renewal post Covid. The proposals set out below aim to target the spend, simplify the process and ensure consistency across Angus.

£65,000 will be available in each locality. A short life officer working group would be established to identify a menu of projects for each locality in the next two months with a finalised list to be presented to Angus Council at its meeting on the 9 September 2021. The proposed menu of projects will be drawn from proposals sought from council departments, other Community Planning Partners as well as social enterprise companies and local businesses.

Potential projects would require to:

- focus on addressing inequalities and aligned to recovery and renewal post Covid.
- be a project not already in the Council's plans – although projects that 'add value' to existing proposal would be eligible.
- not have revenue (ongoing) or design costs.
- be deliverable in time frame; and
- meet any legal requirements.

Before the projects are approved, work will be undertaken to raise awareness of the voting process which will be held in November 2021. It is anticipated that spend on the projects will occur from December onwards, with the possibility of this spanning into the next financial year (2022/23). This will become clearer when the final list of projects is agreed.

Because of the possibility of further local restrictions due to Covid, the vote on the projects will be held electronically. Previous concerns over the transparency of the online voting mechanisms used in 2019/20 will be addressed through the use of the platform Consul, which is free software being used by councils across Scotland for the purposes of citizen participation. Further details of the platform and voting event will be brought to the Council meeting on the 9 September 2021.

Looking forwards and with the objective of achieving the minimum 1% PB target, Angus Council is working to move away from grant-based awards towards mainstreaming participatory budgeting activity. This will involve developing a long-term strategy that will be delivered over repeated cycles. The mainstreaming process should assist the council in ensuring that its annual budget setting becomes increasingly responsive to the community's needs.

By doing so, a significant proportion of the Council's revenue and capital budgets could be subject to an element of participatory budgeting, far exceeding the 1% set out in the COSLA agreement. This further develops the Council's approach to enhancing its Community Engagement and significantly contributes to the delivery of Council objectives.

6. FINANCIAL IMPLICATIONS

There are no financial implications over and above the monies already earmarked in the General Fund Reserve to the small grants process totalling £460,000. The mainstreaming work proposed will enable the Council to meet and exceed the 1% budget subject to Participatory Budgeting set out in the COSLA agreement.

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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