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Government improvement in Scotland

ELECTED MEMBER BRIEFING NOTE

Mainstream Participatory Budgeting



Scottish Government
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Elected Members Briefing Series

The Improvement Service (IS) has developed an Elected Members Briefing Series to help elected members keep pace with key issues affecting local government.

Some briefing notes will be directly produced by IS staff but we will also make available material from as wide a range of public bodies, commentators and observers of public services as possible.

We will use the IS website and elected member e-bulletin to publicise and provide access to the briefing notes. All briefing notes in the series can be accessed at www.improvementservice.org.uk/products-and-services/skills-and-development/elected-members-development/elected-member-guidance-and-briefings

About this briefing note

This briefing note is intended to provide elected members with information on mainstream participatory budgeting (PB) as councils work towards meeting the 1% Community Choices Framework Agreement.

In 2017, [COSLA and Scottish Government agreed](#) that at least 1% of local authority budgets will be subject to participatory budgeting by the end of 2021. Across Scotland this agreement is referred to as the 1% mainstream PB agreement.

The agreement was [revised in 2021](#) to recognise the impact of the COVID-19 pandemic on local priorities.

The agreement outlines a shared expectation that councils will use PB to go beyond the current arrangements for community consultation and engagement. Mainstream PB is not expected to replace small grants PB; instead it should be used to build upon and develop new opportunities for communities to directly decide on the allocation of public funds and participate in the design of public services.



Glossary of terms

Participatory budgeting is a form of local decision making. It invites communities to have direct say in how public money is spent. Participatory budgeting (PB) is the internationally recognised terms for community involvement in allocating public funds. In Scotland PB has also been known as Community Choices, however locally councils may develop their own branding to describe PB activity e.g. “Shaping North Ayrshire”.

Deliberative democracy is a form of democratic engagement where deliberation with citizens and communities is central to decision making. Deliberation is the act of weighing up options and evaluating alternatives before making a decision. In the context of public engagement, it is used to describe processes that take participants through a learning and discussion phase before reaching collective conclusions. Deliberative democracy focuses upon developing consensus on a range of issues and refers to a process which can take many forms, notable examples include citizens’ assemblies or citizens’ panels.

Citizens’ assemblies involve engaging a representative sample of citizens in discussions and deliberation on policy issues. Citizens’ assemblies provide an opportunity to participants to learn about topic areas (commonly through expert testimonies and evidence), deliberate key issues, arrive at outcomes through compromise and consensus and make policy recommendations. Citizens’ assemblies are a form of ‘mini- public’ and may also be called citizens’ juries. Citizens’ assemblies have been used nationally to discuss [climate change](#) and Scotland’s future. See an example of using [mini-publics in Aberdeenshire Council](#).

Citizens’ panels are representative panels of citizens who are consulted on an ongoing basis on a range of topics and issues. See this [example of a citizens’ panel](#) hosted by Healthcare Improvement Scotland.

What is mainstream participatory budgeting and why does it matter?

Mainstream PB enables the direct participation of citizens in local budget decisions, resource allocation and service design. This moves beyond allocating individual budgets, also known as small grants PB, or identifying separate budgets for community engagement and consultation, towards mainstreaming PB within decisions on the allocation of existing resources across all council services. Further information on key features of PB can be found in the [PB Charter](#) for Scotland.

PB was an important recommendation of the local government-led Commission for Strengthening Local Democracy in 2014:

“Democratic power should be delivered from communities up, not drip down from above. Democratic innovations such as ... participatory budgeting ... should ... become the standard by which [participation in decision making] is delivered in Scotland.”

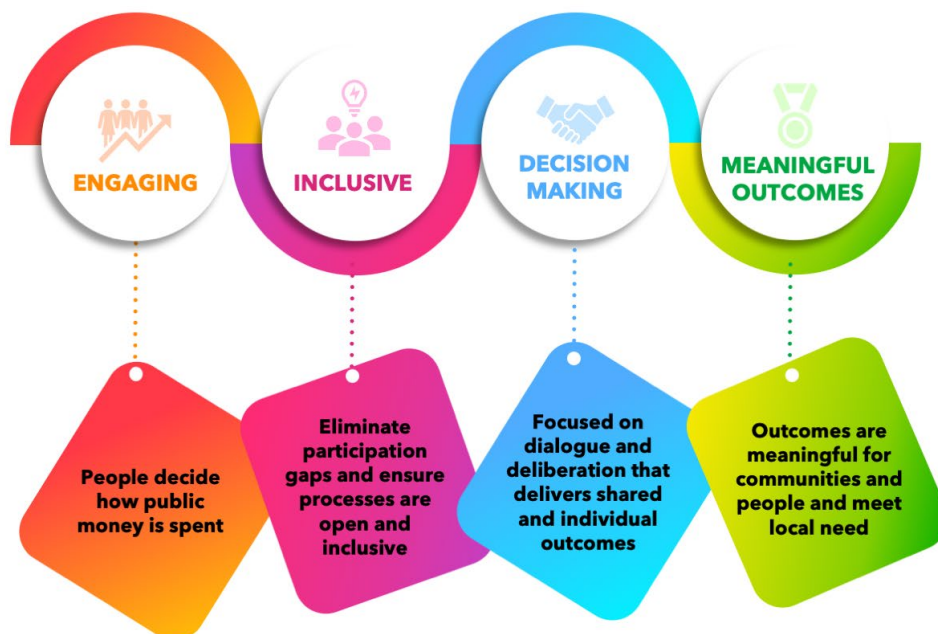
Mainstream PB can be used alongside other models of community engagement to advance equalities, enhance democratic renewal and progress public sector reform.

- ▶ It supports a key principle of **public service reform**; that people should have equal opportunity to participate and have their voice heard in local decisions. Mainstream PB provides a vehicle to meet the strategic aims of public sector reform through engaging communities in the design of local services.
- ▶ It complements aspirations outlined in the **Community Empowerment (Scotland) Act 2015** to enable communities to take forward their ambitions.
- ▶ It embeds the **Public Sector Equality Duty** within local decision making by designing services in response to individual and shared needs. Participation of communities within local decisions is also a key principle of a human rights-based approach and can assist councils in their work on the [Fairer Scotland Duty](#).
- ▶ It delivers on 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”.
- ▶ It enhances the participation and engagement of local communities and devolves power to people and communities over decisions that affect their lives. Increased participation with communities is a key recommendation from the [Local Government Blueprint](#) to strengthen local democracy.
- ▶ The Scottish Government has outlined an ambitious programme of activity to see PB developed across the broader public and voluntary sectors through the [Future](#)

[of Participatory Budgeting in Scotland Framework](#). The framework outlines priority areas for development over the next five years to ensure PB is part of Scotland's core democratic and community decision making infrastructure.

There are also several benefits to local democracy associated with running mainstream participatory budgeting. It can help improve the democratic process by widening participation and re-invigorating the role of local authorities, local councillors, and civil society. It can improve the way public money is spent/invested by increasing the knowledge available to the local authority when undertaking service planning.

Mainstream PB can take many shapes and forms and cover a range of approaches, priority areas and purposes, therefore flexibility of approach should reflect local priorities. Key principles of mainstream PB should: engage local communities in deciding how public money is spent; be inclusive to eliminate participation gaps via open and inclusive processes; employ decision making methods which are focused on dialogue and deliberation to deliver shared and individual outcomes and ensure that outcomes are meaningful for people and local communities in meeting their needs.



Principles of Mainstream PB

Including deliberation within PB can help communities effectively identify priorities and reach a consensus on them. A [guide to including deliberation](#) within PB is available from the Democratic Society. As a guide, deliberation within PB ensures that:

- ▶ The information people need to make informed choices is available and accessible at all points in the PB process
- ▶ People involved report increased knowledge about the issues affecting groups and individuals in their own communities and other communities
- ▶ Methods are used which allow people to express their views and which encourage discussion.

- ▶ Ideas, priorities and the choices made about how money is spent are reached through public discussions and informed by wide ranging views.

Done well, PB benefits local communities by generating a shared understanding of local needs and helps elected members fulfil their roles in supporting local communities to thrive.

- ▶ PB goes beyond consultation, giving local people a direct role in shaping local services.
- ▶ PB increases transparency around local decision making, raising awareness of opportunities and considerations in delivering services.
- ▶ PB is an opportunity to hear a diverse range of community voices.
- ▶ PB helps people start conversations about the local issues that matter to them.
- ▶ Through taking part, communities develop the confidence and skills to engage with local issues.
- ▶ PB strengthens communities and helps people develop local connections.
- ▶ Through working on local priorities, PB can instil a sense of ownership within communities.
- ▶ PB strengthens links across communities and prioritises the role of people within local planning.
- ▶ Community relationships developed through PB can help overcome social isolation and loneliness.



The role of elected members within PB

As PB extends opportunities for involvement and engagement, by supporting local PB, elected members can instil a sense of local ownership amongst the community.

Visible and engaged elected members can also help reassure participants about the governance and accountability of PB processes. Where communities feel PB works well, it can also increase citizens' trust of councillors and boost the role of ward councillors.

In promoting PB throughout their work at community and council levels, elected members can:

- ▶ Ensure the aims of the process are clearly understood by all participants.
- ▶ Make sure the relevant resources to run an effective PB process are in place.
- ▶ Ensure the process is inclusive and promotes the participation of diverse communities within in all stages of PB as a local democratic process.
- ▶ Encourage the incorporation of deliberation within PB design so that citizens better understand the challenges of decision making and public services.
- ▶ Engage with local people to raise awareness of local PB activity.
- ▶ Support the local community to participate in the process.

Elected members can also support PB by working collaboratively with citizens, officers, other elected members and public sector partners to plan and lead PB locally.

They may sit on committees with executive decision making or have specific roles in relation to policy making, service delivery and the use of resources. Councillors will also be on scrutiny panels which review existing policies and procedures. Elected members with such remits can bring a valuable strategic overview to the design and success of PB.

This can also be achieved through working with community councils, Community Planning Partnerships or other public forums which provide an opportunity to raise the profile of PB locally and secure buy in from a range of stakeholders. The involvement of strategic and community partners should happen as early as possible to embed an equalities approach within the project design.



Considerations in the design, development, and delivery of PB

Finance

Under the 1% Framework Agreement, councils have committed to allocate at least 1% of council budgets, made up of revenue and capital expenditure, using PB. It is for local authorities to decide how to take forward PB at a local level.

To ensure a shared understanding of the 1% target, 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.]
- ▶ Calculate 1% of this remaining figure to arrive the target

There are also financial costs associated with running meaningful and sustainable PB. The duty of Best Value can be met by ensuring participation in good governance and effective management of resources, with a focus on improvement, to deliver the best possible outcomes for the public. Costs could include staff, venue/digital platforms, promotion, and evaluation.

Local government is well placed to support this with its network of facilities and communication channels. Councils should draw upon existing internal resources (e.g., digital and communications) and partnership arrangements with external agencies e.g., Health and Social Care Partnerships, Community Planning Partnerships. Communities and the voluntary sector can also make an important contribution. With clear parameters, communities can help in the design/re-design and specification of services within available resources.

Planning

Successful mainstream PB activity should strive to enable community participation within various stages of the process design and implementation. Community decision making should be evident throughout the design and implementation process to ensure communities understand how their participation has impacted on decisions and outcomes.

Important considerations during the planning of Mainstream PB whereby community engagement can provide valuable insight include:

- ▶ What is the purpose of using a mainstream PB approach?
- ▶ Where is the council currently meeting statutory duties to participate and engage with communities already? Can this provide a useful starting point?
- ▶ What priorities have been identified by local communities?
- ▶ What is the scope of the project?
- ▶ Who are the strategic and community partners?
- ▶ What is the council seeking to achieve?
- ▶ What are the desired outcomes and/or objectives?
- ▶ What difference will PB make to people's lives?
- ▶ How will the activity address inequalities and overcome barriers to participation?
- ▶ What methods of participation work best for the local community e.g. voting events, digital voting, conversations via community panels or budget delegates?
- ▶ How can PB be promoted as a way of working across public sector partners e.g. Integrated Joint Boards, Health and Social Care Partnerships?
- ▶ What role does dialogue, and deliberation have during PB to build consensus and to clearly define the scope and purpose of PB?
- ▶ How can the use of online tools such as the CONSUL platform help broaden engagement?

The scope and intended outcomes of PB activity may evolve over time, however clear communication and consensus building on the purpose, scope, and benefits of mainstream PB will ensure this happens in partnership with the local community. The table on the page 10 provides further details of strategic considerations when designing PB activity.

Equalities

Under existing statutory duties local authorities should take steps to ensure that any planned engagement is accessible and considers how barriers to participation can be overcome. The outcomes of mainstream PB activity should also pay due regard to fulfilling equalities duties such as the Public Sector Equality Duty (2011), the Fairer Scotland Duty (2018) and the Islands Act (2018) as PB involves budgetary decision making.

PB should be designed to ensure a voice for those who face barriers to participation within local discussions. Mainstream PB should aim to eliminate barriers to participation

with particular attention paid to how the design, decision making methods and outcomes of PB activity represent and include vulnerable or excluded communities. Through the provision of accessible information which defines the purpose, intended outcomes and what is in scope, citizens and communities can be empowered to make informed decisions.

In [Budgeting for Equality](#), Glasgow Disability Alliance report that disabled people overwhelmingly want to be involved in deciding how to spend public money, but barriers prevent them from doing so. They list some of those barriers with suggestions of what we can do about them.

Key Considerations for PB			
Design Stage	For the local authority	For the community	Mainstream PB Outcomes
Purpose	<ul style="list-style-type: none"> • Meet the 1% Framework Agreement with a clear vision and purpose around objectives. • PB as a method to meet local need, address inequalities, corporate priorities or statutory duties. 	<ul style="list-style-type: none"> • The vision, purpose and intended outcomes are clear, open and transparent. • Communities participate in identifying the purpose and outcomes of the process. 	<ul style="list-style-type: none"> • Council, citizens and communities co-design the purpose of PB.
Scope	<ul style="list-style-type: none"> • Can be organised around a theme or service e.g. health, education, housing, community justice, environment etc... • Can be organised geographically e.g. ward, locality, area partnership, or by community of interest • What resources/ funding are to be decided upon? Is the scope clear and evident to citizens and communities? 	<ul style="list-style-type: none"> • The scope of PB participation and decision making is clear and transparent for citizens and communities at all stages. • Communities participate in identifying local needs in relation to service outcomes or local place priorities. • Engagement of partner agencies and community representatives. 	<ul style="list-style-type: none"> • The scope of PB is co-produced with citizens and communities. • Partner organisations engage in design and delivery of projects or outcomes. • Third sector agencies represent the needs and interests of under-represented groups.

Key Considerations for PB			
Design Stage	For the local authority	For the community	Mainstream PB Outcomes
Strategic Design	<ul style="list-style-type: none"> • Can existing corporate or strategic priorities be realised through PB? • What is the vision and aspiration for PB? • What is to be achieved through participative processes? 	<ul style="list-style-type: none"> • PB is informed by and incorporated into existing community planning e.g. local outcome improvement plans, community planning and local place plans. • PB activity avoids consultation fatigue through coordination with existing engagement activity. 	<ul style="list-style-type: none"> • Combined priorities and intended outcomes of communities and the local authority are identified and strategies to realise ambitions are co-produced. • Deliberative methods help inform process to align corporate, strategic and community priorities.
Facilitation	<ul style="list-style-type: none"> • Adequate time and resources are allocated for quality facilitation internally and externally. • Links with partners are created to support facilitation, where appropriate. 	<ul style="list-style-type: none"> • Meaningful and effective facilitation methods are used to engage representative, diverse and excluded citizens and communities. 	<ul style="list-style-type: none"> • PB includes a combination of council officers, elected members, community members and partners agencies. • PB activity aims to establish consensus and shared understanding around outcomes.
Participation	<ul style="list-style-type: none"> • Relevant council stakeholders are briefed, equipped and engaged. 	<ul style="list-style-type: none"> • Locate and engage representative citizens and sections of local communities of place and interest. 	<ul style="list-style-type: none"> • PB works collaboratively across authority services, strategic partners and community networks.

Key Considerations for PB			
Design Stage	For the local authority	For the community	Mainstream PB Outcomes
Proposals and ideas	<ul style="list-style-type: none"> • Service areas, resource allocation and parameters for PB are defined e.g. services propose a menu of initiatives for communities to generate ideas and decide upon. • Delegate working groups can help bring stakeholders and partners together across the authority or public sector. 	<ul style="list-style-type: none"> • Communities play a key role in generating or informing proposals. • Delegate working groups can help bring stakeholders from across communities together. • Proposals are decided upon by local people. 	<ul style="list-style-type: none"> • Proposals for PB are co-produced by communities and local authorities and decided upon by the community.
Decision-making	<ul style="list-style-type: none"> • The decision-making methods suit the PB activity taking place and efforts are made to ensure decisions are taken by a representative section of local communities/area. • Digital tools are used to broaden engagement. • In-depth engagement and capacity building is focused upon those facing barriers to participation and marginalised groups. 	<ul style="list-style-type: none"> • Decision making methods e.g. voting, are designed to best meet local circumstances and community needs e.g. deliberative activity with stakeholder groups to negotiate complex issues (citizens assemblies, mini-publics) or to define community priorities with the wider community (voting). • Digital tools are used to broader engagement 	<ul style="list-style-type: none"> • Communities, local authorities and statutory partners decide suitable decision-making methods through evaluating shared and individual needs. • PB methods are co-produced in partnership with the local community • Decision-making methods are designed to meet a wide range of needs.

Key Considerations for PB			
Design Stage	For the local authority	For the community	Mainstream PB Outcomes
Impact	<ul style="list-style-type: none"> • Realisation of strategic aims and objectives of PB. • Alignment with statutory duties and equalities. • Outcomes have a direct impact on local communities • Communities can clearly understand how their engagement and participation has resulted in outcomes. 	<ul style="list-style-type: none"> • Measurable change in how communities access services. • Change in relationship between communities and council, and vice versa. • Communities feel more able to influence local decisions. • PB empowers community participation in local decision making. 	<ul style="list-style-type: none"> • Communities better informed and engaged in local decision making • Communities empowered to take part in local decision making • Services better respond to community needs • Budget decisions are informed by community priorities • Communities and councils can evidence how PB has resulted in better local outcomes.

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The logo for Improvement Service, featuring the letters 'is' in a dark blue, lowercase, sans-serif font. A small red dot is positioned above the 'i', and another red dot is at the end of the 's'. Below the 'is' is the word 'improvement' in a dark blue, lowercase, sans-serif font, followed by the word 'service' in a red, lowercase, sans-serif font.
improvement **service**