



COMMUNITY WEALTH BUILDING PRACTICE

Falkirk Council: Community Benefits Using Participatory Budgeting Principles

This case study outlines the approach taken by Falkirk Council to distribute community benefits using participatory budgeting principles.



Background and initial approach

Falkirk Council identified a need to better manage developer community benefit contributions. Without a structured system, opportunities for meaningful community impact were not being fully realised, highlighting the need for a more strategic approach.

To better manage and distribute resources, Falkirk Council integrated these community benefit contributions into its existing participatory budgeting scheme, known as Community Choices. This scheme already distributed £350,000 to £500,000 annually through capital and revenue grants across nine wards. Allocation is based on deprivation and child poverty data, to ensure the areas with the highest deprivation and need receive the highest proportion of funds. The additional funds from community benefit clauses allowed the council to top up grants for underfunded projects, enabling the delivery of more community initiatives. This flexible model ensured greater local impact while maintaining a transparent and democratic allocation process.



Developing a more targeted approach

Building on the success of supplementing Community Choices funds with community benefits, the council has developed a more strategic model that moves beyond traditional participatory budgeting. A themed “wish list” is being developed, where community groups can align themselves with key priorities from the Falkirk Plan and nominate themselves for support. Contractors will now receive these themed opportunities—such as tackling poverty or improving mental health and wellbeing—scored to incentivise alignment with strategic goals. This approach ensures that contributions are more impactful and better matched with identified community projects delivering the outcomes of the Falkirk Plan.

If a contractor is working in a locality that has a community action plan (developed for the most deprived areas), then the council will tailor the approach using the outcomes and actions identified in that local plan. This allows the community benefit contribution to align either with broad, strategic goals (Falkirk Plan) or hyper-local priorities (community action plans), depending on the context of the development.

For example, a local community action plan (CAP) has recently been actively supported through Falkirk Council’s community benefit initiatives. An allocation of £10,000 from a contractor’s community benefit contribution has been made to advance projects identified within this CAP. While not a formal vote, the process is participatory: the community led action plan and its outcomes dictates how to allocate the funds based on the locally identified priorities contained in the CAP.

Monitoring and accountability

Recognising the need for more effective oversight, the council has introduced new mechanisms to track the use and impact of community benefit contributions. A Claims and Compliance Officer within the Community Services team will monitor delivery, using a tracking system and budget codes to ensure transparency. This responds directly to findings from a prior audit which revealed that processes could be improved in order to maximise the delivery of community benefit outcomes. The new system aims to support both contractors and internal teams to make best use of community benefits, ensuring these commitments translate into impactful community gains.

Cross-service collaboration

A critical element of the new approach has been fostering collaboration across council departments. An operational working group made up of procurement, community, and employability colleagues was established to streamline processes and build shared understanding for how the new process will work. This cross-service cooperation reflects a broader cultural shift towards breaking down siloed working to ensure the greatest possible impact for communities is delivered.

“It’s a really good example of us working across different services to make sure that the community benefit process is as good as it can be.”



Outcomes and Impact

This shift to a more targeted approach has already started yielding results, with several contractors proactively seeking conversations before completing their community benefit statements. Some have even expressed a desire to fund more innovative or unconventional projects. By fostering these relationships early, the council aims to create more sustainable and ongoing partnerships, where contractors see first-hand the positive impact of their support and are encouraged to continue investing in local communities.

The Communities Service will help contractors understand the social and financial impact that their contributions make through capturing impact and social return on investment data. By helping contractors share the positive stories behind their investments, the council aims to shift perceptions of community benefit clauses toward a more constructive and valued contribution.

Challenges and future focus

Contract managers across the council have varying levels of understanding, awareness, or capacity to engage with community benefit clauses. As such, plans are also underway to introduce internal training, develop user-friendly guidance for contract managers, and embed this knowledge within induction processes, ensuring sustained commitment to the new model.

Integration into Falkirk City Council community wealth building

The community benefit model is seen as Falkirk Council's primary contribution to CWB under the procurement pillar. By aligning community benefits with local priorities and involving local organisations, procurement is used as a tool to retain wealth locally and direct benefits to areas of need.



Falkirk's community benefit model operationalises CWB principles by:

- Leveraging procurement to build local social and economic capital,
- Empowering communities to influence and benefit from public investment,
- Encouraging anchor institutions and private partners to align with local priorities,
- Creating mechanisms for wealth to be retained and grown locally.



Find out more: [Community Choices - Falkirk Council](#)

