

# Report

Report to:	<b>Executive Committee</b>
Date :	<b>1 May 2019</b>
Report by:	<b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Participatory Budgeting</b>
----------	--------------------------------

## **1. Purpose of Report**

1.1. The purpose of the report is to:-

- ◆ provide an update for the Executive Committee on Participatory Budgeting

## **2. Recommendation(s)**

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the background to Participatory Budgeting as detailed at section 3 be noted;
- (2) that the proposal to hold a Members Awareness Session on Participatory Budgeting be noted; and
- (3) that further reports are brought back to update committee on Participatory Budgeting activity.

## **3. Background**

- 3.1. Participatory Budgeting for Local Government was included in the 2016/2017 programme for government, and represented a commitment from Scottish Government to work in partnership with local government, to have at least 1% of local authority budgets subject to Participatory Budgeting. Participatory budgeting is intended to enable community participation in local decision making.
- 3.2. The Scottish Government and COSLA have developed a Participatory Budgeting Framework, to provide high level guidance for local authorities. A paper was presented to the Executive Committee in December 2017 providing information on Participatory Budgeting including information on this Framework.
- 3.3. Participatory Budgeting was defined in the Cosla/Scottish Government Framework as “supporting democratic and engaged citizenship by enabling local people to have a direct say in how a defined budget can be used to address their priorities. It is one method of community engagement that can be used alongside other models as part of a wider approach to advancing participatory democracy”.
- 3.4. The Framework explains that the Participatory Budgeting target is not necessarily about local authorities identifying a separate and/or additional resource. It is principally about involving communities in decisions regarding existing resources.
- 3.5. It explains that as Participatory Budgeting can take many shapes and forms and covers a range of mechanisms, different delivery models exist and therefore flexibility of approach is left to individual local authorities. Two guides were referenced in the Framework, covering Grant based Participatory Budgeting (providing grants for communities) and Mainstreaming Participatory Budgeting where

a community is involved in determining how local services work and building that process into the core of how the Council works.

- 3.6. **Target and Timescales:** There is a target that has been set by the Government on the level of a council's budget that should be subjected to Participatory Budgeting. The Framework set out how to calculate councils' target for Participatory Budgeting, and local authorities should meet the target of 1% of their budgets being subject to Participatory Budgeting by the end of financial year 2020/2021. This means asking communities about how we want to spend budgets before the end of 2020/2021.
- 3.7. The Framework explains that it is for local authorities to decide how to take forward Participatory Budgeting at a local level to reach the target. There is local discretion as to how the target is reached and there is no prescription over whether this is revenue or capital or what areas of the budget it should cover. The 1% target will be calculated on the Council's Total Estimated Expenditure (TEE) less Assumed Council Tax Income, both from the Governments Finance Settlement. The TEE includes Specific Grant funding allocated to local authorities for specific purposes. For the Council the target equates to approx. £5.6m as shown below:-

Total Estimated Expenditure	£687m
Less Council Tax Assumption	<u>(£122m)</u>
	<u>£565m</u>
1%	<b>£5.6m</b>

- 3.8. This paper will cover an update on Participatory Budgeting (section 4) and the Next Steps for the Council (section 5).

#### **4. Update on Participatory Budgeting**

- 4.1. Cosla have in place dedicated resources focusing on Participatory Budgeting, including a dedicated Participatory Budgeting Development Manager, Training Officer and Social Inclusion Officer. Support is offered to Councils to support development of Participatory Budgeting
- 4.2. The most recent update was provided at the March 2019 meeting of Cosla's Community Wellbeing Board where an update was provided on the description of mainstream participatory budgeting.
- 4.3. The following was set out as Cosla's description of Participatory Budgeting and the form it could take. The first element is the definition of Participatory Budgeting used internationally and the rest is a broader view of what form Participatory Budgeting could take beyond simply a small grants model of giving money out.

##### Cosla's Description for Mainstream Participatory Budgeting:

- Proactively involving and engaging local people in making decisions on how public money is spent in their community.
  - Engaging people in the design of policy and strategy that eliminates participation gaps.
  - It is a process of deliberative dialogue that allocates resources in a way that delivers shared and individual outcomes using direct community participation in the decision making process.
  - There is a clear demonstration of individual and community need in final service delivery that creates meaningful life outcomes.
- 4.4. The intent of Cosla's description was not to be prescriptive about Participatory Budgeting but to ensure flexibility in embedding it in what councils do.

## **5. Next Steps for South Lanarkshire Council**

- 5.1. As further information is provided through Cosla, it is appropriate for the Council to work towards identifying service areas to incorporate Participatory Budgeting in what we do.
- 5.2. Council Resources have been considering areas of service that are suitable for participatory budgeting (or where they are already undertaking participatory budgeting). The drivers for selecting these areas include looking at areas where there is already an element of community involvement and also, in areas where benefits would be gained through involving the community in service delivery decisions.
- 5.3. It is proposed that a Members Awareness Session on Participatory Budgeting is arranged to allow Members to be briefed on Participatory Budgeting, and areas of Council Service that could be delivered by incorporating Participatory Budgeting. It is proposed that this session be arranged for the week commencing 13 May. We will seek representation from Cosla to attend the session to provide further information for Members on Participatory Budgeting.
- 5.4. A paper would then be brought back to Committee with proposals for Participatory Budgeting within South Lanarkshire.

## **6. Employee Implications**

- 6.1. There are no employee implications in terms of the information contained in this report.

## **7. Financial Implications**

- 7.1. There are no financial implications directly resulting from the recommendations of this report.

## **8. Other Implications**

- 8.1. The main risk associated with Participatory budgeting is the lack of community engagement. This will be mitigated through the work of the Community Participation team.
- 8.2. There are no implications for sustainability in terms of the information contained in this report.

## **9. Equality Impact Assessment and Consultation Arrangements**

- 9.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and therefore no impact assessment is required.
- 9.2. There is also no requirement to undertake any consultation in terms of the information contained in this report.

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

23 April 2019

## **Link(s) to Council Values/Ambitions/Objectives**

- ◆ Accountable, effective, efficient and transparent

**Previous References**

- ◆ Executive Committee, 6 December 2017: Community Choices Budgeting Framework

**List of Background Papers**

- ◆ None

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

Jackie Taylor, Head of Finance

Ext: 5637 (Tel: 01698 45(5637)

E-mail: [jackie.taylor@southlanarkshire.gov.uk](mailto:jackie.taylor@southlanarkshire.gov.uk)