

Giving more people a say in local spending
Participatory Budgeting: a draft national
strategy – Consultation
Summary of responses



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Section 1

Introduction

1. In March 2008, Communities and Local Government published a consultation seeking views on the draft Participatory Budgeting National Strategy. Specifically, the document sought views on the strategy as a plan to achieve the Government's ambition for participatory budgeting to be used in all local authority areas by 2012. This sets out the common views expressed and the Government's response to them.

Number of responses

2. A total of 81 responses have been received (including some composite, collective responses, eg from workshops or network groups).

Breakdown of responses to consultation	
Local authorities	42
Primary Care Trusts: 2	2
Police authorities / forces: 2	2
Government related agencies and NDPBs and Associations and institutions (eg, Audit Commission, British Medical Association, Chartered Institute Public Finance and Accountancy (CIPFA) Royal Town Planning Institute)	14
Local Strategic Partnership bodies	2
Community sector	5
Ad hoc consultants, individuals etc	14
Total number of responses	81

3. Copies of the individual responses to the consultation are stored in the Communities and Local Government Office in Eland House. They can be made available upon request apart from where respondents have asked for their response not to be made public. Please email any requests to Richard Watkins in the Community Empowerment Delivery Division at richard.watkins@communities.gsi.gov.uk

A list of respondents can be found in Section 3 of this document.

Responses to consultation

4. The consultation asked the following six questions:
 - Have we identified the correct work streams and actions to achieve the strategic objective of participatory budgeting to be used in all local authority areas by 2012, if not, what others would you suggest?
 - Do local authorities think they need any additional powers¹ to engage with citizens on spending decisions in this way. If so, what should they be?
 - What would incentivise local authorities to undertake participatory budgeting?
 - What would help community groups to engage in the process?
 - What barriers are there to local authorities devolving parts of public budgets in this way?
 - How can councillors be given a central role in the use of participatory budgeting?
5. In summary, the majority of respondents broadly welcomed the approach to the promotion and facilitation of participatory budgeting. Few wanted new powers to require participatory budgeting aside from those that the duty to involve, the Comprehensive Area Assessment and the duty to respond to petitions will provide. All agreed the central role that councillors must play within a participatory budgeting process.
6. Responses received will have been considered by Communities and Local Government when deciding how best to take these proposals forward.
7. A recording of the common responses and the Government's response to them is set out in Section 2 below.

¹ For example the Governance of Britain green paper committed the government to consult on providing additional powers to hold ballots on spending decisions: *The Governance of Britain*, a green paper presented to Parliament by the Secretary of State for Justice and Lord Chancellor, July 2007.

Section 2

Consultation Questions and the Government's response

Question 1

Have we identified the correct work streams and actions to achieve the strategic objective of participatory budgeting to be used in all local authority areas by 2012, if not, what others would you suggest?

Responses from consultees	Government's response
<p>Guidance</p> <p>A number of respondents stressed the need for more guidance on participatory budgeting and its various forms, whilst not prescribing specific models, and allowing maximum flexibility. In particular guidance was sought on how to make processes fully accessible and inclusive and prevent domination by very vocal individuals or narrow interest groups, how to manage expectations and set clear limits for events, how to keep processes simple and ensure they are open, transparent and accountable, and how they can be fun and attractive.</p> <p>A number of responses wished for guidance to encourage particular groups to participate, for example, young people, engagement with disadvantaged women, older people.</p>	<p>We have said in the final strategy that participatory budgeting should be tailored to local circumstances, but should be underpinned by common principles. In line with this, the PB Unit will issue a set of common standards, as well as a Tool kit about how to do participatory budgeting in varying circumstances.</p> <p>As we set out in the strategy, participatory budgeting must be carried out in an inclusive way. Guidance will be issued about ways to help include a broad representation of the community. At the same time, the PB Unit is working with various groups and networks to develop thematic work strands, for example, participatory budgeting and youth. They welcome contact from any organisation with common aims to develop such themes further.</p>

Responses from consultees	Government's response
<p>Evaluation</p> <p>Comprehensive evaluation should be a high priority work area to see the benefits and lessons, get a better idea of costs and benefits and to uncover the outcomes for people, ie, how have services improved, do people feel they have more influence over local decisions, and do people feel more ownership of their community?</p> <p>Promotion/Marketing</p> <p>The importance of promoting PB to raise the profile nationally was raised, demonstrating good practice more boldly and clearly. The proper and appropriate local marketing of individual projects is often key to achieving thorough engagement and the success of projects.</p> <p>A few respondents suggested that the name "participatory budgeting" sounds too technical, and that a more user-friendly one should be chosen instead.</p>	<p>We will evaluate the participatory budgeting projects to uncover these outcomes. We have commissioned a national, comparative evaluation of projects in July 2008, with the interim report likely by March 2009.</p> <p>We have also referred to the IDeA's recently issued "Joining In" report of a number of local authorities' knowledge and experience of participatory budgeting. We have said that the PB U will advise pilots on common evaluation of the implementation of projects, and that the results are locally and regionally communicated.</p> <p>We are committed to doing this, as set out in the strategy, mainly through the PB Unit, sometimes working with other groups and networks. Guidance on local marketing of projects will be provided in the PB Unit's Tool kit and could be done through the regional learning sets.</p> <p>Participatory budgeting is the generic term which covers a number of different models and is beginning to pick up currency. The other names discussed, such as "community kitties" and "participatory spending", are limited. However, projects should brand and name local exercises as appropriate to market them effectively for example, Newcastle: U-Decide, Southampton: Your Health, Your Community, Your Vote.</p>

Responses from consultees	Government's response
<p>Wider government services/and developing and deepening PB</p> <p>There should be more scope for PB within the local strategic partnership, and benefits with getting increased join-up and possible local efficiencies. Raised public understanding of health spending issues is essential, and Local Involvement Networks (LINks) can help, which needs time to bed down.</p>	<p>We are working with all relevant national government departments, the PB Unit and other agencies to encourage PB in health and police services, and help initiate some pilots within local partnerships where appropriate.</p>
<p>There were concerns that participatory budgeting exercises within the LAA across the borough may be too remote to neighbourhoods.</p> <p>Provide more support and promotion for PB within Parish and town council structures (and support Parish clustering). Upper tier LA to be required to take account of Parish plans in budgeting.</p> <p>Some emphasised that PB should be about communities of interest as well as geographic communities; and could be explored in areas such as arts and social care.</p>	<p>Most participation budgeting exercises are in fact carried out at the neighbourhood level. We will be looking at how decisions affecting wider areas can engage citizens effectively without the process becoming too remote.</p> <p>We have increased support to encourage and promote participatory budgeting in local councils (including at town, parish and neighbourhood council level) as set out in the strategy. In addition, Defra are providing funding to support the Rural Community Action Network which will help Rural Community Councils build capacity, enabling local groups take forward policy issues, including participatory budgeting.</p> <p>We have acknowledged this in the strategy, and will continue to work with other government departments where there may be opportunities for doing PB.</p>

Responses from consultees	Government's response
<p>Allow business rates to be set locally to encourage participatory budgeting in business community.</p> <p>Give LAs a say in central government budgets and priorities.</p>	<p>This is outside the scope of the consultation which is focussing on local public budgets.</p> <p>This is outside the scope, as this consultation is about local spending. However, to better inform communities about the public funding that is spent in their area, provisions within the Sustainable Communities Act 2007⁴ require the Secretary of State to make arrangements for the production of new "Local Spending Reports". These will provide information about where public money is spent and will enable local authorities, their partners and communities to take better informed decisions about the priorities they choose to pursue to promote the sustainability of their local community. We are intending to consult shortly on arrangements for the production of these reports.</p>
<p>Pressure from communities</p> <p>Many stressed the importance of strong local leadership and peer persuasion as having more power than national campaigns; and stressed the need for more coherent local partnership working.</p>	<p>We have reflected these views in the strategy.</p>

⁴ See the Sustainable Communities Act guide at: <http://www.communities.gov.uk/publications/localgovernment/sustainablecommunitiesact>.

Question 3
 What would help community groups to engage in the process?

Responses from consultees	Government’s response
<p>Greater support for the communities to take part in events in a meaningful way is required, in particular through supporting and tapping into the expertise of community groups and networks. We should encourage more third sector networking including within regional learning sets. Also support for developing councillors’ skills on engagement, and increasing numbers of those with capacity to facilitate participatory budgeting.</p>	<p>We have recognised the importance of engaging thoroughly with the community, in particular endeavouring to reach people who do not normally participate in such events. As part of the guidance and support available, we have referred to all the key funding programmes, such as the Community Anchor organisations and the Capacitybuilders, Communitybuilders and Grassroots programmes which bring major funding to help third sector development, capacity, networking and training. Networking through the regional learning sets and support from the Regional Empowerment Partnerships will also help.</p> <p>We are interested in offers from ICT experts to work with PBU and / or pilots to develop such work.</p>

Question 4

Do local authorities think they need any additional powers to engage with citizens on spending decisions in this way? If so, what should they be?

Responses from consultees	Government's response
<p>This question was asked partly in the context of the Governance of Britain Green paper commitment to consult on whether new powers are required for people to call for ballots on spending decisions.⁵ Generally, there was little appetite for new powers above the best value duty to involve, Comprehensive Area Assessment and new powers to consider petitions. Aside from that, the following suggestions were made:</p> <ul style="list-style-type: none"> • Extend the duty to co-operate with a wider range of bodies to ensure better join up throughout LSP partners • Allow full membership of Town and Parish councils on area committees to vote on budgets • Allow flexibility for councils to set council tax increases above the government guidelines where a successful participatory budgeting project might call for it. 	<p>The Local Government and Public Involvement in Health Act 2007 provides two key legal hooks to advance partnership working and strengthen local accountability. These are the duty to co-operate to agree targets in the Local Area Agreement (amongst 27 'partner authorities') and the duty to have regard to those targets signed up to in the exercise of their functions. The duty to co-operate, which extends to all the local strategic partner authorities, aims to maximise the efficient and effective use of resources across an area and better co-ordinate community engagement and empowerment activities.</p> <p>We are encouraging local authorities to establish good working relationships with local councils to take account of the views of Town and Parish councillors wherever possible. Under existing legislation in certain circumstances it is possible to involve Town and Parish Councillors as full voting members on area committees.</p> <p>Decisions on the level of council tax are matters for local authorities. However, keeping council tax increases down (well below 5%) remains a priority for the Government and Ministers have made clear that they remain prepared to cap excessive increases in future years; this is the context within which decisions on council tax must be taken. There are no excuses for excessive council tax increases.</p>

⁵ The Governance in Britain Green paper presented to Parliament by the Secretary of State for Justice and Lord Chancellor, July 2007.

Question 5

What barriers are there to local authorities devolving parts of public budgets in this way?

Responses from consultees	Government’s response
<p>The following barriers were raised:</p> <ul style="list-style-type: none"> • the costs of implementing it (covered in “incentives” above) • conflict between requirement to achieve value for money and savings (sometimes requiring centralised commissioning) and local engagement on spending, and • the demands on budgets for statutory services reducing the discretion for local authorities. <p>Cultural issues were raised such as consultation fatigue, councillors and council officials feeling undermined, or authorities being risk averse to such new ways of working.</p>	<p>Tighter budget lines does not mean that local people cannot be engaged in how those funds are spent. The Comprehensive Area Assessment⁶ will assess the extent to which local authorities engage with their community as part of its efficient use of resources. It is a matter for local authorities to decide what services are spent at a borough-wide strategic level and which can be delegated to neighbourhood, area level. We recognise that applying PB on wider LAA services may be too large a step at present, but some local authorities are exploring this.</p> <p>We have said that there is a separate task within local government to convince hearts and minds, which is a key purpose of this strategy.</p>

⁶ The Comprehensive Area Assessment is the joint inspectorate assessment of performance and prospects for delivery by local authorities and their partners, which will be introduced from April 2009 as part of the new local performance framework.

Question 6

How can councillors be given a central role in the use of participatory budgeting?

Type of Responses and numbers	Government's response
<p>There is an overwhelming recognition of the central role councillors should play as community champions / advocates, serving as the conduit between the council and the community. Respondents suggested they should be involved in PB by agreeing it, involved in design, Chair or facilitate events, and with the overview and scrutiny process. They can also present participatory budgeting in the wider context of an engagement strategy. A number of respondents emphasise the importance of training councillors on engagement. Use of back-bench councillor ward budgets should be promoted for participatory budgeting, and ideal position of Parish level budgets and how the councillor can play into that.</p>	<p>We have agreed with all these above views and promoted them strongly in the strategy.</p> <p>We have also referred a relevant piece of work which the LGA, IDeA and Leadership centre will undertake following up on the Councillors Commission, working with the political leadership of nine authorities representing the three main parties.</p>

Section 3

List of respondents

1	Peter Dawes	41	Northamptonshire County Council
2	Hampshire Association of Councils	42	Church Urban Fund
3	Wear Valley Community Network	43	Coventry City Council
4	David Morris	44	Barnsley Borough Council
5	Michael Pollard	45	London Borough of Bexley
6	Walsall PCT, but sent as personal response	46	North Yorks County Council
7	Tim Morton	47	Chester in Partnership (Chester's LSP)
8	Tonbridge & Malling Borough Council	48	YWCA England and Wales women changing lives
9	<i>Requested not to be made public</i>	49	Nat Council for Voluntary Youth Services
10	Fraser Henderson	50	Wiltshire County Council
11	British Medical Association	51	Lambeth Borough Council
12	Eastleigh Borough Council	52	Voluntary Organisations Network North East
13	Croydon Voluntary Action	53	Manchester City Council
14	Oadby and Wigston Borough Council	54	Harrow Borough Council
15	Basingstoke and Deane Borough Council	55	Leeds City Council
16	de Borda institute	56	Camden Borough Council
17	Gurnard Parish Council	57	Watford Borough Council
18	National Youth Agency	58	Society of District Treasurers
19	Adur District and Worthing Borough Council	59	Commission for the Compact
20	Stoke-on-Trent City Council	60	Newcastle City Council and the Newcastle partnership
21	Durham Police Authority	61	Hampshire County council
22	Surrey Police Authority	62	Harrogate Borough Council

23	Cheltenham Borough Council	63	Leicester City Council
24	Women's resource centre	64	Davy Jones consultants and PB associate
25	Lincolnshire Pathfinder authorities (Lincolnshire County Council and the Lincolnshire District Councils)	65	Chester City Council
26	Commission for Rural Communities	66	Leslie Silverlock
27	CIPFA	67	National Consumer Council
28	International Association for Community Development	68	Stoke Gifford Parish Council
29	Monitor Independent Regulator of NHS Foundation Trusts	69	Buckinghamshire County Council
30	Oxfordshire County Council	70	County Durham PCT
31	Cornwall County Council	71	Liverpool City Council
32	Yorkshire and Humber Tenants and Residents Regional Federation	72	Mellor Ways Ltd.
33	Rochdale council	73	Exeter City Council
34	Audit Commission	74	Hackney Borough Council
35	Social Enterprise Coalition	75	Royal Town Planning Institute
36	Staffordshire County Council	76	Participation Works
37	<i>Requested not to be made public</i>	77	Suffolk Coastal District Council
38	The Society for County Treasurers	78	Birmingham City Council
39	City of London Corporation	79	North Tyneside council
40	Sandwell MBC	80	Consultation Institute roundtable events: consolidated report
		81	Mansfield District Council

