

EAST RENFREWSHIRE COUNCILCABINET26 April 2018Report by Deputy Chief ExecutiveCOMMUNITY CHOICES BUDGETING FRAMEWORK**PURPOSE OF REPORT**

1. The purpose of this report is to update Cabinet on the national 'Community Choices Budgeting Framework' and agree next steps to ensure that East Renfrewshire Council is working towards Community Choices Budgeting.

RECOMMENDATIONS

2. The Cabinet is asked to:
- (a) Note the national 'Community Choices Budgeting: Framework for the operation of the 1% target for Local Authorities', attached in Annex 1, and learning from previous participatory budgeting exercises in East Renfrewshire; and
 - (b) Agree the next steps outlined in paragraphs 11 - 13.

BACKGROUND

3. Community Choices Budgeting, the Scottish Government's preferred name for participatory budgeting, is a decision-making process in which residents decide how to allocate part of a public budget. The process allows local people to identify, discuss, and prioritise public spending projects, and gives them the power to make decisions about how money is spent

4. The Government's Programme for Scotland for 2017-18 included a commitment to "working with local government on having at least 1% of council budgets subject to community choices budgeting". Local government is required to meet this target by the end of financial year 2020-21.

COMMUNITY CHOICES BUDGETING FRAMEWORK

5. In October 2017, COSLA Leaders adopted the 'Community Choices Budgeting: Framework' (attached as Annex 1). This Framework Document has been drawn up collaboratively by the Scottish Government and COSLA to provide high level guidance for local authorities on how to deliver the target set out in the programme for government. Key details within the framework include:

- The budget in scope is the "total estimated expenditure for revenue, as per the local government finance circular, less assumed council tax intake'. For East Renfrewshire Council's current budget this would be roughly £1.72m
- The 1% target can include both revenue and capital spend.
- The target will not require identifying a separate and/or additional resource, and is primarily intended to include communities in decision making regarding existing resources.

6. COSLA have appointed a Participatory Budgeting (PB) Development Manager to drive the work nationally, and are in the process of establishing the COSLA PB Reference Group, and met with representatives from Corporate and Community Services in December 2017. COSLA are in the process of agreeing what types of activity can be classified as 'Community Choices Budgeting'.

LEARNING FROM PARTICIPATORY BUDGETING PROJECTS TO DATE

7. Over the last year the Council has been exploring ways to identify, agree and pilot opportunities for participatory budgeting.

8. In June 2017 the Cabinet agreed £600,000 of Roads repair funding was to be distributed by public vote. Almost 1,300 residents voted in the Council's pilot project 'East Ren Decides: Roads', making it one of the highest response rates for any consultation East Renfrewshire Council has held. A [series of key lessons were identified](#), including the need to provide support to those in deprived communities and without online access to ensure we encourage participation from as many of our residents as possible. We also found that smaller communities were able to come together around single road improvement projects in a way that larger communities with multiple potential projects could not.

9. In recent months the Council, working with the local community, delivered a £100,000 Community Choices project in the Locality Plan areas of Auchenback and ADD2Barrhead (Arthurlie, Dunterlie & Dovecothall). This was made possible by a successful bid to the Scottish Government's Community Choices Fund, along with match funding from the Council and was titled 'Better Barrhead: You Decide'. 49 local projects presented their ideas to over 100 local people and, following a voting process, 32 projects were awarded funding. Initial evaluations of the process are highly positive.

10. Key learning from both projects will inform our approach to meeting the 1% target. In order to be consistent with the Scottish Government framework, East Renfrewshire Council will use the term "Community Choices Budgeting", rather than participatory budgeting, in the implementation of any future exercises.

IMPLEMENTING COMMUNITY CHOICES BUDGETING IN EAST RENFREWSHIRE

11. In February the Council agreed to commit £134,000 over the next 3 years to support locality planning. This will enable £100,000 per annum to support community choices budgeting across the locality areas of Barrhead, Neilston and Thornliebank. Opportunities to match fund this amount will be explored with national funders to maximise the resource that local people can direct.

12. Implementing the Framework for Community Choices budgeting in East Renfrewshire by the end of financial year 2020-21 will require understanding and commitment from across Council services. Clarity on what activities and programmes will meet the national definitions for the framework is expected later this year.

13. Over the next three years the Council will work to develop and embed our approach to Community Choices Budgeting. This is will include:

- Embedding the lessons learned from the Roads PB and 'Better Barrhead' projects
- Working to engage and provide training for senior managers across the organisation.
- Sharing and learning from best practice through membership of the national PB Champions group (which includes PB leads from Local Authorities across Scotland) and the Glasgow Regional PB Learning Cluster with neighbouring Councils.
- Providing additional information and training for elected members to support them with their leadership role and responsibilities in relation to Community Choices budgeting.

RECOMMENDATIONS

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- (b) Agree the next steps outlined in paragraphs 11 - 13.

REPORT AUTHOR

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ANNEX 1:

COSLA 'Community Choices Budgeting: Framework for the operation of the 1% target for Local Authorities'

BACKGROUND PAPER:

'Roads Revenue Programme – Results of East Ren Decides: Roads' Cabinet, 7 December 2017.

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ANNEX 1:**Community Choices Budgeting****Framework for the operation of the 1% target for Local Authorities****1. Introduction**

The Scottish Government and Local Government have a shared vision for communities to have greater participation in decision making. One way in which to do this is to involve people and communities in funding decisions which should ultimately achieve better outcomes. Included in the 2016/17 programme for government was a commitment from Scottish Government to work in partnership with local government, to have at least 1% of local authority budgets subject to Community Choices budgeting.

Community Choices budgeting, better known worldwide as participatory budgeting, is recognised internationally as a way for local people to have a direct say in how public funds can be used to address local needs. It is one method which can be used alongside other models of community engagement and empowerment as part of a wider strategic approach to advancing participatory democracy.

This Framework Document has been drawn up collaboratively by the Scottish Government and COSLA to provide a high level guidance for local authorities on how to deliver the target set out in the programme for government.

2. Definition of Community Choices Budgeting

Community Choices budgeting is the term used in Scotland for participatory budgeting which enables the active participation of community voices in local financial decision making. Community Choices is defined as:

‘Community Choices budgeting supports a democratic and engaged citizenship by enabling local people to have a direct say in how a defined public budget can be used to address their priorities. It is one method of community engagement that can be used alongside other models of empowerment as part of a wider approach to advancing participatory democracy.’

3. What is Community Choices Budgeting?

Successful Community Choices budgeting requires political will, buy-in from senior management, interest from civil society and the local community, a defined budget, clarity of purpose and a clear definition of the rules. It goes beyond traditional consultation or including community representation on a decision making panel. The essence is about community cohesion, raising awareness, making connections and having a participative role in financial decision making that is deliberative and binding. As a consequence, its impact can be significantly greater and in particular if it is linked strategically to local action plans. As Community Choices budgeting can take many shapes and forms and covers a range of mechanisms, different Community Choices budgeting models exist. Therefore flexibility of approach is left to individual local authorities. As a starting point two Guides are recommended for further reference.

The first is the *Grant Making through Participatory Budgeting – A ‘How to’ Guide for Community Led Organisations and community engagement workers* (September 2016). It provides a step by step guide and a number of supporting templates to run a small projects process. The Guide is available at: [Grant Making - How to Guide](#)

The second is the *Mainstreaming Participatory Budgeting - Ideas for Delivering Participatory Budgeting at Scale* (October 2016). The Guide is designed to help better understand the issues of mainstreaming and to develop Community Choices models that work within each unique context. It includes an indication of the commissioning cycle, a budget matrix, the advantages and challenges of a number of approaches, a key set of principles and useful links to further information. The Guide is available at: [Mainstreaming Ideas Guide](#)

4. Budget

The Community Choices 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. The 1% is the minimum target set and can be made up of revenue and capital expenditure. It is for local authorities to decide how to take forward Community Choices budgeting at a local level to reach the target. 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.

5. Costs

There are financial costs associated with running meaningful and sustainable Community Choices budgeting but these vary from initiative to initiative. As a guide, costs could include staff, venue, promotion and evaluation. Local government is well placed to support this with its network of facilities and communication channels. There is also the possibility of increased costs associated with the outcome chosen by Communities for the benefit of the community. For example without clear parameters on available resources, a Community may design a more complicated contract or other aspect that requires additional on-going officer support from the council. With clear parameters, communities can help in the redesign and specification of services within available resources.

There are also a number of wider benefits to local democracy associated with running Community Choices 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 contribute to the effectiveness of public spending by improving the way money is invested by increasing the knowledge available to the local authority when undertaking service planning. It also has the potential to strengthen the community and voluntary sectors by increasing the number of people taking part in local democratic processes. More information about the benefits of Community Choices budgeting can be found on the PB Scotland website www.pbscotland.scot.

6. Timescale

The 2016/17 Programme for Government commitment does not set a timescale. The expectation from the Scottish Government is that the target of having at least 1% of local authority budgets subject to Community Choices budgeting should be reached by the end of this session of the Scottish Parliament, that is the end of the financial year 2020/21.

7. Reporting

For appropriate monitoring local authorities will complete a high-level pro-forma and return it to COSLA on an annual basis. COSLA will collate the information and report a global figure for local government to the Scottish Government on an annual basis.