

REPORT TO: COMMUNITY PLANNING BOARD – 10 JUNE 2009

SUBJECT: COMMUNITY PLANNING THREE-YEAR BUDGET

BY: CHIEF EXECUTIVE

1. REASON FOR REPORT

1.1 The reason for this report is to consider the budget formula used for financial contributions by the North East Public Sector Group for use within this partnership and consider participatory budgeting proposals.

2. RECOMMENDATION

2.1 It is recommended that the Community Planning Board to:

- (i) decide if any formula will be used to agree financial contributions by partners to the community planning budget; and
- (ii) agree to apply to the national participatory budgeting-antisocial behaviour match fund to progress the community engagement proposals.

3. FORMULA BUDGET

3.1 At the Community Planning Board meeting on 7 May 2009, the meeting considered the budget for the second year of the 3-year budget. While the budget contributions were agreed in principle it was requested that further information be sought on the budget formula used by the North East Public Sector Group for partner contributions to community planning.

3.2 At the finance network meeting, a sub group of the North East Public Sector Group, on 5 October 2007, it was agreed that "the group felt the fairest option is that of gross budget as it reflected size and geographical spread. However recognising the NHS view, the group, after discussion, suggested a revised formula where Aberdeen City, Aberdeenshire and NHS pay 25% each, Moray Council and Grampian

Police pay 10% and Grampian Fire and Rescue Service and Scottish Enterprise pay 5% each. This was for core funding only.”

- 3.3 As agreed last year the annual contribution from the partners is listed below.

Moray Council = £21,000 (41%)
Grampian Police = £10,000 (20%)
Grampian Fire & Rescue Service = £12,000 (23%)
NHS Grampian = £3,000 (5.8%)
Moray College = £5,000 (10%)

- 3.4 As the partnership has developed it is clear that some inequities exist that need to be addressed, in particular, contribution levels from HIE and Grampian NHS. The views of the partners are sought in respect of the new contribution levels, which will also have the effect of raising the annual budget of the partnership by £22,000. To illustrate the changes to the budget contributions would be adjusted as follows

Moray Council = £21,000 (28.7%)
Grampian Police = £10,000 (13.9%)
Grampian Fire & Rescue Service = £12,000 (16.4%)
NHS Grampian = £15,000 (20.54 %)
Moray College = £5,000 (6.84%)
HIE = £10,000 (13.9%)

4.0 PARTICIPATORY BUDGETING

- 4.1 Also arising from the previous meeting, it was requested that further information be submitted on proposals for participatory budgeting. Nationally there are moves to progress participatory budgeting as an effective method of community engagement.
- 4.2 Participatory budgeting is relatively new and is continually evolving. There is no fixed definition because innovative participatory budgeting projects constantly challenge existing explanations. A short definition is: Local communities decide how to allocate a small part of a public budget. If citizens or local communities directly make decisions on the allocation of any public money (not only small local authority budgets) this is participatory budgeting.
- 4.3 Participatory budgeting directly involves local people in making decisions on the spending and priorities for a defined public budget. Participatory budgeting processes can be defined by geographical area (whether that is a neighbourhood or multi ward area) or on a specific theme basis e.g. ASB. This means engaging residents and community groups representative of all parts of the community to propose, discuss and vote on spending priorities. This approach also gives local people a role in the scrutiny and monitoring on the process and results to

inform subsequent participatory budgeting on an annual or repeatable basis.

- 4.4 For this partnership to move towards participatory budgeting it would take time to build capacity within the community to enable them to contribute meaningfully to the process. Some interactive technology has been developed which could assist the partnership to involve the community in defining their priorities and identifying budget spend to support them.
- 4.5 Interactive Technology – Public-i have been working with Davy Jones, formerly of the Scottish Government Dialogue Youth Project, to develop technology for budget simulation. There are various examples of trials of a ‘Sim City’ type approaches to participatory budgeting where the participant is able to alter spend in various parts of the budget - and is required to balance additions with appropriate reductions in other areas. This can be a highlight visual approach and is more flexible than similar offline approaches using monopoly money and the like.
- 4.6 As many members on the Board may not be familiar with ‘Sim City’ technology, this will be demonstrated at the meeting.
- 4.7 Although this technology is aimed at a younger audience it is not exclusively so; the easily accessible interactive technology serves both as an introduction to participatory budgeting and as a method of taking part in the process. It is web-based, and the introduction element required the participant to make funding decisions for a community or townscape. This is designed to illustrate the wider effects to the community of budget decisions. The object is to designate funding within a functioning community and overcome problems. This participatory element of the programme allows participants to choose where certain funds are allocated within their community. **(Appendix 1)**
- 4.8 Participatory Budgeting-ASB Pilot Programme - This is a new initiative from the Scottish Government and is at its early developmental stage. According to their guidance, participatory budgeting started in Brazil where it has successfully empowered people in deprived communities since the late 1980s. Its tools and principles are now used in many places across the world. Over 300 municipalities or local authorities have used participatory budgeting in countries such as Canada, Venezuela, Spain, France and Chile as well as more recently in England.
- 4.9 Currently the Scottish Government is piloting some participatory budgeting project under the Antisocial Behaviour (ASB) Framework. A few months ago information was sent to all local authorities asking for bids into this matched fund but as the projects were limited to ASB

initiatives rather than community planning initiatives Moray Council decided at that time to not apply. (**Appendix 2**)

- 4.10 In relation to the Scottish Government's participatory budgeting pilot programme, it is proposed that 3-5 councils/community planning partnership take part in a participatory budgeting pilot to take forward as part of a specific national action of the ASB framework's community engagement elements. This national action is set out as follows:

The Scottish Government and COSLA will establish, by autumn 2009, a participatory budgeting pilot exercise across three community planning partnership areas as part of the community empowerment agenda. Participatory budgeting should enable local community and neighbourhood groups to influence local action by helping to direct how small action funds are spend to develop solutions to local ASSB problems. This pilot exercise will be supported by COSLA and the Scottish Government though the provision of training, guidance and match-funding.

- 4.11 As such it will be expected that council and community planning partners would identify and allocate a small pot of funding which would be match funded by the Scottish Government up to a certain limit for the proposed participatory budgeting pilot exercise to be undertaken locally specifically in relation to addressing ASB issues.
- 4.12 According to the Scottish Government, participatory budgeting in the pilot exercise will complement and enhance existing democratic structures as local elected members will play a big part in approving and supporting participatory budgeting by chairing or helping to facilitate events, explaining the impact of different options and through monitoring and scrutiny to their local communities.
- 4.13 To date, 14 councils/community planning partnership have formally notified COSLA to declare their interest in being part of the participatory budgeting - ASB pilot. As mentioned earlier Moray is not one of those 14 councils/community planning partnerships. However, last week the Corporate Policy Unit was approached by the Scottish Government to apply for the fund as they have heard about our ideas for developing a technology-based solution and have invited us to apply. After the test period the most appropriate model for participatory budgeting in Scotland will be rolled out nationwide.
- 4.14 Proposals - We would like to see groups and individuals develop their own vision of what their 'city' would look like once they have put in their priorities. We propose that our youth council lead this development and we will assist them in promoting that programme to other groups, area forums, and local members. In addition the youth council will also promote diversionary youth projects for development in the communities. The software will have to be reasonably sophisticated to

meet the demands of the game-playing generation, otherwise we will lose them early on.

4.15 Our objective will be

1. we want to see by how much the 'cities' differ/marry and develop a local ideal, and
2. using the Sims idea we want to develop a reasonable knowledge base within the community of the knock-on effect of budget decisions, at which point we see participatory budgeting becoming a reality

4.16 The project will be to enable the youth council to work with the community using the technology to identify overall priorities for their area. In addition the youth council will have a platform to work with community groups to identify diversionary projects for young people as part of the ASB pilot programme.

4.17 With the increase in the budget the partnership will be able to develop the 'Sim City' technology approach to participatory budgeting to assist community groups to develop their budget priorities for their area. The match funding from the Scottish Government would provide a project fund to enable the priorities for young people to be developed.

4.18 If we were to make a bid into the national pilot programme, we would be required to present our bid to the panel for a decision in July for all interested parties and complete a bid to apply.

5. SUMMARY OF IMPLICATIONS

(a) Community Plan / Theme Plans / Partner Plans

Consultation with stakeholders is an important element of community planning. The participatory budgeting could offer opportunities to expand the involvement of the community into community planning to provide the mechanism to consult with a representative sample of the Moray population.

(b) Policy and Legal

Best Value legislation requires the Council to consult with its stakeholders. The Scottish Government is moving towards participatory budgeting for community planning partnership and has developed a pilot programme to assist 3-5 partnerships to develop the mechanisms to take this project forward.

(c) Resources (Financial, Staffing and Risks)

Reflecting the existing and adjusted financial contribution from each partner over the next year, the budget breakdown is below.

Proposed Budget 2009-10	Existing Contribution Levels	Formula Adjusted Contributions
Citizens Panel carry forward	5,232	5,232
Other spend carry forward	5,843	5,843
Partners' contribution	51,000	73,000
Total	62,075	84,075

Proposed Spend 2009-10	Existing Contribution Levels	Formula Adjusted Contributions
Citizens Panel Survey programme for 2009-10 (30,000) Committed Fairer Scotland Fund Survey (2,500)	32,500	32,500
Other costs	12,000	12,000
Partnership Analyst	12,000	12,000
Participatory Budgeting (proposals range from 10,000, 15,000 or 25,000 and may be match funded by Scottish Government)	5,575	27,575
Scottish Government - Participatory Budgeting-ASB match fund	5,575	27,575
Total	67,650	111,650

(d) Consultations

Formula Budgets - Consultations have taken place with the Council's accountancy section who manages the funds on behalf of the Partnership. Partners were also consulted on their level of financial contribution and potential spend on the existing contributions but not on the formula adjusted contributions. As a result there will be a need for partners to consult with their organisations prior to any agreement being made at the meeting.

Participatory Budgeting – The following people were consulted in relation to our proposals and are in agreement with them:

- Mike Callaghan, Community Resourcing Contact, COSLA
- John Ferguson, Community Planning & Development Manager, Moray Council
- Andy Jamieson, ASB Co-ordinator, Moray Council
- Peter Jones, PPR & Communications Officer, Moray Council
- David Eaton and Davy Jones, Public-i
- Peter Mutch, Chair, Youth Council (will have discussed proposals with him by the meeting and will report comments then)


5. CONCLUSION

- 5.1 The formula used to set the community planning budget may address some inequalities which have arisen within the current contributions of the partnership to the general community planning budget. However it is recognised that these proposals will need agreement of each organisation prior to any changes being agreed.
- 5.2 Our proposals would be to involve the Youth Council assisting the partnership through local groups to carry out participatory budgeting exercises in the communities. This gives a real role to the youth council to work with the partnership to set priorities, addresses some of the ASB framework by involving young people in the solutions and gives involvement to the Local Area Forums, Community Council and other community groups to establish the priorities and spend within their areas.
- 5.3 Arising from general enquiries in relation to our proposals even though not specifically addressing ASB matters, it has generated national interest in our project and we have been invited to put forward a bid into the participatory budgeting-ASB pilot programme.

Author of Report: Bridget Mustard, Corporate Policy Unit Manager

Background Papers:

Ref: BM/jg/596648

Signature  _____

Date 8/6/09

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