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# **Participatory budgeting in Scotland:** an overview of strategic design choices and principles for effective delivery

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December 2015



### **Glasgow Centre for Population Health**

Since 2004, the Glasgow Centre for Population Health has sought to generate insights and evidence, support new approaches, and inform and influence action to improve health and tackle inequality. Working with a wide range of stakeholders, we conduct research of direct relevance to policy and practice; facilitate and stimulate the exchange of ideas, fresh thinking and debate; and support processes of development and change. Based in Glasgow, we have a focus on the particular characteristics of this city, but our approaches and learning have implications for other cities, not only in the UK, but worldwide.

### **What Works Scotland**

What Works Scotland (WWS) aims to improve the way local areas in Scotland use evidence to make decisions about public service development and reform. WWS is working with Community Planning Partnerships and stakeholder partners to identify and better understand what is working and not working in public service delivery in Scotland, and how we can translate knowledge from setting to setting. We also aim to contribute to the development of a Scottish model of service delivery that brings about transformational change for people living in different places across Scotland. WWS is funded by the Economic & Social Research Council (ESRC) and the Scottish Government.

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## Summary

Participatory Budgeting (PB) is a process of involving citizens in deciding how to spend public money. At its core PB is about community members shaping local services to more effectively meet local priorities. PB is motivated by the desire to democratically reallocate public money at a community level to priority services and initiatives identified by residents. PB started in Brazil in 1989 and has now spread to over 1,500 localities across the globe with around 2,700 processes taking place.

This paper aims to support the strategic and operational delivery of PB within Scotland and beyond. There have been various attempts at generating typologies to inform PB. Here we take a different approach. Instead of proposing a discrete set of models, which may be limiting and prescriptive given the diversity of community contexts, we instead outline PB design choices and delivery principles. PB delivery organisations, communities and citizens involved in the PB process can thus use the design choices and principles selectively, flexibly and reflectively as meets their specific purpose, need and context.

The central methodology used in this paper is a literature review. International research, evaluations, grey literature and commentary concerning PB have been reviewed. This paper specifically draws upon learning and insights from a PB pilot in Govanhill, Glasgow.

The PB design choices draw upon international evidence and raise fundamental questions to prompt strategic discussion at the outset as to the ambition, scale and process involved in the planned PB programme, which in turn makes clearer the leadership, time and resource requirements. The principles for effective PB delivery then give practitioners and sponsors a steer as to the types of approaches (and issues to be careful of) which are likely to enhance the delivery prospects of PB 'on the ground'. Importantly these delivery principles pay close attention to the current position and profile of PB in Scotland and to the resource most likely to be available for PB at the time of writing.

Ten strategic choices in the design of PB processes have been developed alongside ten principles for effective delivery of PB within a Scottish context. These are detailed below (please note, the table contains two distinct lists; i.e. numbered PB design choices do not correspond to delivery principles of the same number).

The first key question for PB practitioners and sponsors is 'what do we want to achieve by establishing a PB process?' This question represents the foundation from which to consider the design and implementation options outlined in this paper. Regardless of the type of PB carried out, there are some core challenges

which PB practitioners and sponsors must consider. These include cultural, capacity, political, legitimacy and sustainability challenges.

Ten strategic choices in the design of PB processes	Ten principles for effective delivery of PB within a Scottish context
Choice 1: Policy instrument or policy device?	Principle 1: PB is a long-term endeavour.
Choice 2: Organised thematically or geographically?	Principle 2: PB requires strong leadership, time and resource.
Choice 3: Neighbourhood or multilevel?	Principle 3: PB should be independently facilitated.
Choice 4: Community grants or mainstream funding?	Principle 4: PB enables an authentic representation of community interest.
Choice 5: Who facilitates the process?	Principle 5: PB should be a new and distinct approach.
Choice 6: Who makes the proposals?	Principle 6: PB must utilise existing community groups.
Choice 7: Who participates?	Principle 7: PB must be clear what form of democracy it will take.
Choice 8: What type of participation?	Principle 8: PB recognises the challenges in engaging socially excluded citizens.
Choice 9: Who makes the final decisions?	Principle 9: PB has realistic expectations of community representation.
Choice 10: Where does PB fit in the democratic system?	Principle 10: PB allocates reasonable funding to a limited number of projects.

In this paper we have drawn on international evidence as well as local learning such as the Govanhill PB pilot. But we have also argued that this is not a matter of importing ‘off the shelf’ models. The metaphor here is not ‘transplanting’ but translating and adapting key design choices and principles so that we can develop processes that work for Scotland.

In many ways, Scotland is at the start of its PB journey and this may lead in multiple directions. Accordingly, we conclude this paper with a recognition that we need to research and learn from the types of PB processes that are being developed, the changes that these are bringing to policy-making and public services, and the type and level of impact that PB is having on communities. We hope many others may join us in this endeavour so that we can support evidence-informed PB practice in Scotland.

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## Introduction

### The Scottish context for PB

Participatory Budgeting (PB) is a process that involves citizens in deciding how to spend public money. PB is motivated by the desire to reallocate public money locally and democratically to priority services and initiatives identified by local people. It started in Brazil in 1989 and has now spread to over 1,500 localities across the globe with around 2,700 processes taking place<sup>1,2</sup>.

A recent survey carried out by the Community Empowerment Unit at the Scottish Government suggests that there have been over 20 cases of PB in Scotland to date<sup>3</sup>. Interest in this democratic innovation is growing steadily and new PB processes are currently being planned across the country. The following developments illustrate the momentum that is gathering around PB in Scotland:

- In 2014, the Scottish Government set up a PB Working Group to consider a range of issues including capacity building and evidence on alternative PB models. There have been introductory training programs completed across the country in 2014. These have been funded by the Scottish Government and delivered by PB Partners<sup>4</sup>, and have been followed by longer training packages co-funded by 18 Local Authority Areas and Community Planning Partnerships currently planning PB processes<sup>5</sup>.
- The Convention of Scottish Local Authorities (COSLA) has endorsed the findings from the 2014 Commission on Strengthening Local Democracy, which includes PB among its recommendations to develop new forms of public participation<sup>6</sup>.
- Similar support for PB has been expressed by civic organisations like the Electoral Reform Society Scotland in their Demo (Democracy) Max process<sup>7</sup>, the Reid Foundation's Commission on Fair Access to Political influence<sup>8</sup>, and Oxfam and the Scottish Council for Voluntary Organisations in their response to the consultation on the Community Empowerment Bill<sup>9</sup>.
- What Works Scotland, a large multi-partner and cross-sectorial research and knowledge exchange program funded by the Economic and Social Research Council and the Scottish Government, includes a strand of work to provide evidence on PB.



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- The 2015 Community Empowerment (Scotland) Act includes a provision that gives ministers the power to use regulation for the purpose of “facilitating participation in relation to decisions” including the “allocation of financial resources”<sup>10</sup>. Alongside the mechanism of ‘Participation Requests’, also articulated in the Act, this provision opens new governmental space for PB.
  - As a final example, First Minister Nicola Sturgeon launched the Government’s 2015-16 Programme, which makes PB central to the Scottish Government agenda on community empowerment<sup>11</sup>.

Wider policy developments are crucial to understand the current window of opportunity for PB in Scotland. In particular, the 2011 Christie Commission on the Future Delivery of Public Services<sup>12</sup> has become the landmark reference for public service reform. Its emphasis on community participation in designing and delivering public services has provided impetus for new mechanisms to involve citizens, and this is reflected in legislation such as the Community Empowerment Act.

These policy developments have taken place against the backdrop of growing criticism of current opportunities for citizen participation in policy and decision-making. For instance, there is little evidence that non-mandatory frameworks such as the National Standards for Community Engagement, currently under review<sup>13</sup>, have managed to reshape the bulk of practices on the ground. Indeed, successive evaluations of Community Planning Partnerships in Scotland have highlighted the lack of community engagement in local governance<sup>14</sup>. It has also been argued that Scotland remains one of the most politically and administratively centralised countries in Europe, resulting in local democracy’s “silent crisis”<sup>15</sup>. A recent survey<sup>16</sup> for the COSLA Commission on Strengthening Local Democracy indicates that:

- only 35% of Scottish citizens feel part of how decisions affecting their community are made
- 77% would get more involved in their community if it was easier to participate in decisions that affect it
- and 82% would like more say in how local services are provided in their area.

A key contributor to the current emphasis on ‘participatory democracy’ and ‘democratic renewal’ was the 2014 Scottish Independence Referendum. It hailed record levels of voter turnout and national engagement with politics; far higher than any other election or ballot in the country’s recent history<sup>17</sup>. While the referendum was perhaps a once-in-a-generation occurrence, it may serve

to foster greater engagement with political processes, thereby increasing the potential, reach and development of PB.

Summing up, PB is gaining appeal as a potential response to a range of problems and aspirations across Scotland, both in terms of policy-making and service delivery, and in terms of democratic participation and renewal. Given this context, it seems a good time to take stock and draw key lessons for PB practice.

### **Purpose and structure of this paper and methods used**

This paper aims to support the strategic and operational delivery of PB within Scotland and beyond. The purpose of this paper is to inform the development of policy which recognises PB, its potential benefits and the key decisions which must be made concerning its role in society. This paper is also designed to support PB delivery organisations, communities and citizens involved in the PB process and implementation.

The structure of the paper is as follows. First, in the previous section, we have introduced PB and its relevance within Scotland's political, policy and public service delivery context. Second, we broaden the scope to provide a short overview of some of the outcomes that have made PB such a popular democratic innovation across the globe. Third, we explore the main PB models that have been developed internationally in order to offer an outline of ten strategic choices in the design of PB processes. Fourth, narrowing our focus, we present and explain ten principles and considerations for effective delivery of PB specifically within a Scottish context. Finally, we draw overarching conclusions about the findings of the paper and their implications for the future of PB in Scotland.

The central methodology used in this paper is a literature review. International research, evaluations, grey literature and commentary concerning PB has been reviewed. The literature reviewed was broadly assessed in terms of methodological quality, credibility of source and broad relevance to Scotland's strategic and operational application of PB. The ten principles and considerations for effective delivery of PB section draws specifically on data, learning and insights recorded as part of the 2012 GCPH evaluation of a PB pilot in Govanhill in Glasgow as well as the wider PB literature reviewed.

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## PB outcomes and impacts

PB originated in Porto Alegre, Brazil, in the late 1980s as the nation embedded democratic processes across all levels of society after the demise of Brazil's military dictatorship<sup>18</sup>. Evaluation of the Porto Alegre case is very positive, concluding that improvements in facilities and services have resulted directly from projects prioritised through PB by the communities involved<sup>19</sup>. Recent studies spanning two decades highlight the impact that PB has had in tackling social and health inequalities. For instance, a significant reduction in child mortality has been evidenced in large Brazilian cities over the past three decades as a result of the community's PB investments in sanitisation, community-based healthcare and education<sup>20</sup>. The first decade of PB in Porto Alegre provides a striking example of the results of this way of working. Drawing on research by PB experts Baiocchi<sup>21</sup>, and Sintomer and colleagues<sup>22-24</sup>, we can highlight the following achievements in the period 1989-2001:

- **Shifting priorities:** Overall, PB helped to reorient public investment to the poorest areas of the city. Every year between 9% and 21% of the city's capital budget (\$610 million total capital budget in 2001) was allocated via PB to disadvantaged communities.
- **Improving services:** There was a considerable increase in new housing for poor families, from 1,714 families in 1986-1988 to 28,862 families in 1992-1995. There was also an increase in the number of schools and nurseries, from 29 in 1988 to 86 in 2001, which enabled a threefold increase in the number of children in schooling. Finally, there was also higher expenditure on health, particularly on building new primary healthcare facilities in the poorest areas.
- **Improving infrastructure:** For example, there were 20km of new pavements yearly in the poorest areas, sewage systems reached almost full coverage and 98% of residents had running water by 2001 (in comparison with 75% in 1988).
- **Improving governance:** Another result was that inflated administrative costs were reduced, and so were levels of corruption, which had hindered progress in Brazil for decades. In turn, PB also helped to improve relationships between residents and officials, as well as between administrations at various levels.
- **Improving citizen participation:** At its peak, in 2002, PB involved 17,200 citizens, who tended to be from the most disadvantaged groups in the city. Indeed, women, ethnic minorities, and low income and low education participants were overrepresented when compared with the city's population.

PB was implemented in Brazil as a tool to enhance democratic processes amid the demise of a military dictatorship and the shift towards a democratic society. Accordingly, the outcomes of PB in Europe have not been as stark as those in Brazil, although there are signs that cities like Paris are investing considerable resources in the hope of approaching the level of impact of the original model<sup>25</sup>.

In Europe, PB processes are currently operating in countries like Spain, Portugal, France, Germany, Italy, UK and Poland, and a range of different models have proliferated as a result of different political cultures and governing priorities<sup>26-28</sup>. We return to this in the next section, but for now it is important to note that most PB processes in the UK have been on a small scale and have tended to involve community grant allocation schemes, rather than mainstream budgets as in the Brazilian model.

When Rocke<sup>29</sup> took stock of PB in the UK, the headline for her conclusions was that there have been “concrete results, but limited impact”. She highlights the following outcomes:

- Positive feedback from participants.
- Improved self-confidence of individuals and organisations.
- Improved intergenerational understanding.
- Encouraged greater local involvement: Increased volunteering and formation of new groups.
- Better awareness of councillors in their wards.
- Increased the confidence of citizens in local service providers.
- Increased the control that residents had over the allocation of some resources.

Another comprehensive UK-based review of PB in 2011 concluded that PB was most effective when used in conjunction with other community engagement processes and that overall confidence in PB is only likely be increased by the successful delivery of subsequent high quality PB projects<sup>30</sup>. The study also looked at how PB could change or be adopted within mainstream services. It found that PB could attract additional funds into deprived areas by providing an effective means of distributing resources that funders felt confident they could invest in. The implementation of PB had also lead to innovative projects receiving funding; breaking the status quo of normal services and typical ‘top-down’ community projects in some areas.

PB was also shown to improve the transparency and quality of information available to service providers and communities, thereby enabling them to meet local priorities more effectively. The study reported how the PB process demonstrated the need for greater public coordination and partnership

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working between Community Planning Partners, in order to meet complex local needs. Crucially PB was described as opening up new channels of communication between the public sector and ‘hard-to-reach’ community members.

A range of social capital benefits were also evidenced in the evaluation. PB was shown to improve the self-confidence of individuals and organisations in tackling neighbourhood issues and in negotiating with public sector organisations. PB also brought together people from different backgrounds, enabling them to pool knowledge, skills and experience to tackle local concerns. Furthermore, PB has been shown to directly increase community group membership and promote wider local civic engagement. The positive findings of this in-depth study are consistent with other PB evaluations<sup>31-34</sup>.

In 2012 the GCPH published a report describing a PB pilot within the Govanhill area of Glasgow<sup>35</sup>. The report demonstrates that the PB pilot in Govanhill was a positive and valued experience for community members and public and third sector workers alike. The PB-funded projects are innovative, are acutely tailored to local needs and priorities and continue to successfully operate at the time of writing, four years on from the PB process. The Govanhill PB pilot resonates powerfully with the Christie Commission’s recommendations, notably its core themes of devolved decision-making and collaborative gain to “achieve more for less” amid difficult economic times and stretched public services<sup>12</sup>. The PB pilot in Govanhill also adds further understanding of practical ways to apply asset-based ways of working.

## Strategic choices in PB design

PB is a good example of how an apparently simple idea, involving citizens in deciding how to spend a budget, can inspire and materialise in a wide variety of processes and practices. This has led to various attempts at generating typologies<sup>22</sup>. Here we take a different approach. Instead of proposing a discrete set of models (which may be limiting and prescriptive, not least, given the diversity of community contexts) we instead begin by outlining ten strategic choices in PB design:

### Choice 1: policy instrument or policy device?

The first key choice concerns the policy status of PB. Ganuza and Baiocchi<sup>36</sup> argue that there is considerable ambiguity concerning the role of PB and implementation as it developed in over 1,500 cities over five continents since its inception. The authors document an important transition between PB in its earliest form and the types of PB initiatives seen in the UK. The early years of PB in Brazil can be described as a central *policy instrument* – in that it prescribed a very specific way of orienting the relationship between political actors, civil society, and the state. In other words, from this perspective, PB is a new way of governing and entails fundamental changes to the structures and processes of public administrations. Early PB stemmed from leftist social movement ideology and had clear goals of social justice and the redistribution of power and wealth.

In contrast, within the UK, PB has been implemented as a *policy device* – a symbolic and technical process of engagement which does not necessitate substantial changes to the way in which political actors, civil society, and the state interact. PB as a policy device is more concerned with community engagement and representation than redistribution and social justice. Table 1 summarises these ideas.

**Table 1. Participatory budgeting as both a policy instrument and as a policy device, adapted from Ganuza and Baiocchi (2012)<sup>36</sup>.**

Conceptualisation of PB	Official status	Emphasis	Key example
PB as a way of governing	<i>Policy instrument</i> that entails administrative reforms and new ways of working	Social justice and redistribution via community mobilisation and participation in governance	Brazil
PB as a community engagement tool	<i>Policy device</i> that can be appended to existing institutions and ways of working	A new tool to engage communities in tackling local issues	UK

Some experts have noted that, as PB has been adapted to other contexts, it has often lost the “empowerment” dimension that made it effective in the original Brazilian model<sup>37</sup>. That is, they argue that by using PB merely as a *policy device*, its transformative potential as a *policy instrument* for social change is compromised.

However, PB as a policy device is still relevant within modern democracies and local governments. Dahl describes how ‘public and community interest’ are poorly represented in modern forms of democracy and local democratic institutions<sup>38</sup>. Dahl argues that communities are unfamiliar with how governmental policy is devised, influenced and implemented and feel disenfranchised from political processes both locally and nationally; and that new localised approaches are a societal priority in supporting a progressive democracy. Petite describes how PB, even as a somewhat peripheral policy device, represents a far more authentic conception of public and community interest within local government and partnerships than current political and local democratic arrangements, processes and institutions can facilitate<sup>39</sup>.

### **Choice 2: organised thematically or geographically?**

PB can be organised around a particular theme, for instance, health, education, housing, policing, transport, and so on. It can also be organised around a particular geographic area, for instance, a local ward where participants may decide to tackle a range of issues across various policy areas. Naturally, the 'thematic' option will still take place in a specified geographic area, but the key distinction is that the budget is to be allocated to issues related to a specific theme. In this sense, the geographic focus leaves

the process more open to a range of priorities, whereas the thematic focus offers a more targeted approach in a particular policy area. For example, in the case of PB in the French region of Poitou-Charentes, all high schools take part in the process. PB is used to allocate ten million Euros per year within the thematic area of education, and the process focuses on cultural activities, construction and equipment<sup>27</sup>.

### **Choice 3: neighbourhood or multilevel?**

For PB projects organised on a geographical basis, there are options regarding its scope. For example, some PB processes are hyper-local and take place at the level of a particular neighbourhood, whereas others may have a broader scope and include the municipal level. The first option has been recurrent in Scotland, where processes like Leith Decides and the Govanhill Equally Well Test Site were developed at a neighbourhood level. In contrast, multilevel PB processes have been often inspired by the original Brazilian model, and developed in European localities such as Morsang-sur-Orge (France), Cordoba, Seville (both Spain)<sup>26</sup> and Lisbon (Portugal)<sup>2</sup>.

The logic behind PB designed as a multilevel process is to foster concern not only for local priorities but also for strategic considerations. For example, the process asks participants to consider their local needs in the context of the needs of other areas, and therefore make decisions and trade-offs with such considerations in mind. The multilevel model often entails the election of temporary delegates who carry priorities from the neighbourhood assemblies to the ward and municipal committees. Consequently, this is a model that requires far more investment and potentially some level of administrative reform. In contrast, the hyper-local model is more flexible and relatively easier to implement, insofar as it can work without needing system reform and is driven by a clear focus on place-based issues for potential intervention.



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#### Choice 4: community grants or mainstream funding?

There are two basic options in terms of funding PB initiatives, namely: community grants and mainstream funding.

On the one hand, the money may come from public or third sector organisations seeking to allocate funding set aside for community grants. Examples are the Scottish cases of Kirkcaldy Kanés<sup>i</sup> and Leith Decides<sup>ii</sup>, where public sector local partnerships facilitate the grant-making process. This model has also been used to allocate third sector programme funds, such as Evoc's Canny Wi' Cash<sup>iii</sup>. In some cases, funding may come from pooled budgets, put together by public and third sector partners such as in the Manton Community Alliance in Nottinghamshire, England. The model of PB as a community grants' allocation scheme has been predominant in the UK<sup>29</sup>.

On the other hand, the money may come from the mainstream budgets of government departments and public services (e.g. education, housing, health) through the yearly allocation of a percentage of the budget for PB. This model has been used in the London Borough of Tower Hamlets, where the Council set aside £2.6 million to be spent on mainstream services through a PB process<sup>40</sup>. This is also the case in the original Porto Alegre model, where typically between 9% and 21% of local government capital expenditure is allocated via PB<sup>21</sup>. In 2014, Paris joined the mainstreaming model, setting aside £335 million (5% of the city's investment budget) for PB until 2020<sup>41</sup>. In other French cases, such as PB in the Morsang-sur-Orge area, each Neighbourhood Council is given a financial portfolio of 60,000 Euros, totalling 480,000 per year, which in 2004 was 18% of the area's budget<sup>26</sup>.

The mainstreaming option (i.e. PB used to allocate mainstream service budgets rather than *ad hoc* community grants) can give PB some degree of institutional stability and sustainability, so that new processes can bed in over time and benefit from ongoing learning and improvement. Arguably, this model can be more effective for tackling complex social problems and to approach the level of impact achieved in some Brazilian cities over time<sup>42</sup>. Of course, as noted earlier, processes based on *ad hoc* funding for community grants can also accomplish results although perhaps of a less enduring nature if the source of funding is not sustainable.

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<sup>i</sup> Kirkcaldy Kanés: <http://www.kirkcaldykanes.org.uk/>

<sup>ii</sup> Leith Central Community Council: <http://leithcentralcc.co.uk/tag/eith-decides/>

<sup>iii</sup> Evoc. Canny Wi' Cash – PB project. <http://www.evoc.org.uk/partnership/change-fund/canny-wi-cash-participatory-budgeting-project/>

### Choice 5: who facilitates the process?

Organising PB requires considerable work on numerous fronts, including project management and coordination, PR and communication, process design, community organising and forum facilitation. Often, coordinators and facilitators belong to the organisation that sponsors the PB process, and they can draw on organisational resources to fulfil a number of functions. This in-house expertise sometimes is dedicated solely to PB, as in Seville, where the council had a team of five PB officers –following the Porto Alegre model, which features a large team of community organisers employed by the local authority<sup>21,26</sup>. In contrast, sometimes PB is only one of the many jobs of in-house facilitators, as it is typical in processes like Kirkcaldy Kanes or Leith Decides delivered by neighbourhood planning officers and community workers.

However, there have also been cases like Rome's Municipio XI where an independent non-profit organisation has responsibility for the impartial facilitation of the public forums<sup>26</sup>. There are also instances where a combination of in-house and external facilitators can be found, such as in UK projects including consultancy by PB partners<sup>4</sup>. Moreover, these boundaries can be blurred when it comes to partnerships organising PB using pooled budgets. In any case, the question of who manages and facilitates is crucial as it may affect the perceived legitimacy, fairness and authenticity of the PB process.

### Choice 6: who makes the proposals?

This choice entails three basic options. In some models, any community group or third sector organisation can make proposals for projects and initiatives. This is the case for instance in Leith Decides, where there were 37 proposals in 2015 of which 25 were funded<sup>43</sup>. In other models, the funding organisation may provide a range of options from which participants can choose. This was the case in Tower Hamlets, where the borough council created a menu of initiatives and services. The recently established PB process in Paris also started from this premise, but it is likely to combine both models and also allow citizens to propose projects from 2015. This is partly a response to critiques of the 2014 proposals as focusing excessively on 'pet projects' by the administration rather than on tackling complex issues in the city<sup>44</sup>.

When any community group or third sector organisation can make proposals, this can increase their capacity to develop local initiatives and respond to local priorities. It can also foster commitment to the PB process and to mobilising communities to participate. However, and related to Choice 5 (who facilitates

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the process?), the process of preparing proposals must be supported by the PB organisers so that less organised groups are not disadvantaged as they compete with established organisations. This may also require ongoing support for groups looking to implement successful proposals.

When the funding body makes the proposals, this reduces the power of the citizens and communities involved by narrowing their ability to influence the priorities to be tackled via PB. It also prevents the creativity and energy that can be mobilised when citizens and community groups prepare proposals, and the skills and capacity that they develop through that process. Nonetheless, this model may ensure that the decisions made are within scope and readily implementable, as the funding body may have already considered the feasibility of the proposals.

### Choice 7: who participates?

PB processes typically entail direct participation by citizens, whether it is the residents in a local area or those affected by a particular public service. For instance, the cases in Paris, Porto Alegre, Tower Hamlets, Cordoba, Lisbon and Edinburgh give every local resident the opportunity to participate and vote. In the case of some thematic PB processes, participation involves only those affected by a service, as is the case in the Poitou-Charentes high schools, which involve pupils, parents and teachers, or in the Scottish cases of OVER to YOUTH (Glenrothes, Fife) and the Shetlands PB process organised by Young Scot and Shetland Youth Services –where the focus was on young people’s issues. In this sense, the ‘constituency’ is partly determined by Choice 2 (organised thematically or geographically?).

Recruiting participants can be equally challenging when trying to involve communities of place and communities of interest, although the latter can more readily reach participants via existing networks and organised interests (e.g. ‘service users’). In the case of communities of place, drawing on existing networks (e.g. community councils; third sector interfaces) can mean ignoring large sections of the population. Accordingly, engaging a geographic community may require considerable effort to mobilise citizens with diverse backgrounds and viewpoints that reflect the complex interests and tensions present in the locality.

There have also been PB processes that only involve intermediaries rather than citizens. These intermediaries are typically representatives from a range of organised interests, including public and third sector organisations and community groups. This was the case for instance in the Govanhill process in Glasgow and in the city of Albacete (Spain)<sup>23</sup>. Most PB cases, however,

combine participation by both citizens and intermediaries at different stages of the process. This ensures the benefits of increased participation by citizens that can bring new perspectives and knowledge, as well as the benefits of drawing on the experience of relevant intermediaries.

### **Choice 8: what type of participation?**

There are three main choices when it comes to methods of participation: aggregative; deliberative; or combined. In the aggregative model, participants express their priorities by voting for their preferred projects and initiatives. Usually this is done by asking participants to rank several options according to their priorities or by assigning a limited number of votes to their preferred proposals. This seeks to minimise the ‘popularity contest’ effect of participants only voting for projects proposed by groups or organisations they know and support, and provides some incentive to learn about other initiatives and priorities. This aggregative logic can be found in PB processes focussed on community grant allocation (e.g. Kirkcaldy Kanes)

In the deliberative model, the emphasis is on dialogue and deliberation regarding priorities, options and trade-offs. Participants get the opportunity to learn about the issues and initiatives at stake and engage in dialogue and deliberation with other participants and project proposers. This typically takes the form of face-to-face assemblies and/or digital forums, where participants share evidence and reasons to support their arguments, and are asked to reconsider their views and preferences in the light of the evidence and reasons presented by others. The key principle in deliberation is that decisions are made on the basis of the best arguments as opposed to mere bargaining, negotiation, or power pressures<sup>45</sup>. Making decisions via deliberation entails building consensus and agreement, which can be extremely difficult without a mechanism for resolution such as voting – especially when the process involves large numbers of participants. That is why purely deliberative PB processes are unusual and limited to versions of PB that only involve small committees of intermediaries<sup>23</sup>.

Often PB uses a combined model that includes deliberation concerning priorities as well as aggregative voting. A deliberative phase before voting can help participants to make sense of the range of issues and competing funding priorities at stake. By being exposed to evidence and diverse views on various needs and problems, participants get a chance to base their decisions (voting) on considered judgement. This combined model can be found for instance in many Brazilian cases and some examples in Italy, Spain, France, the UK and Portugal<sup>26,28,46</sup>.

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### Choice 9: who makes the final decisions?

Decision-making in PB can be organised around three logics: devolved; centralised; or combined. In many PB processes the power to decide on how to allocate the budget is devolved to participants via voting. This can be found across the spectrum of PB experiences around the world, and from large processes to allocate mainstream funds to smaller projects to distribute community grants.

However, there are also some examples in which decision-making remains centralised. That is the case in the Lichtenberg district of Berlin<sup>27</sup>, where participants attend PB meetings to work out priorities for municipal services, which then inform decision-making by elected representatives. Therefore, the decisions are not taken by citizens but by public sector decision-makers. This means that citizens and communities play an advisory role as in traditional consultation processes, and the connection between their participation and any decisions may be less transparent.

Decision-making can also follow a combined logic, with citizens sharing power with elected or organisational representatives. For example, in the Porto Alegre case, after budget proposals are decided via assemblies involving citizens, community groups and officials at various levels (neighbourhood, district, municipality), they are taken by the mayor to the city chambers to undergo formal approval by the elected body. European cities such as Seville also feature a co-decision model.

We haven't found any examples in practice but, in theory, elected representatives have the ultimate power to change the final decisions, although they would likely risk a backlash and would subvert the bottom-up philosophy of PB. The same may apply to cases where PB is organised by a particular organisation, and the final decision is in the hands of the budget holders.

### Choice 10: where does PB fit in the democratic system?

In cases where PB is conceived as a way of governing, it can be seen as part of the democratic system. This means that the process must be embedded within institutional arrangements, which sometimes requires administrative reforms as some Brazilian cases show<sup>21</sup>. This institutional fit can comprise numerous dimensions including designing the PB process so that it works in sync with the overall budgeting cycle for the authority in question. For example, as Talpin<sup>26</sup> describes, in Rome's Municipio XI the PB process begins in January with public assemblies that include the election of delegates for each neighbourhood. The second phase (February-May) entails monthly meetings by several working groups focused on developing proposals on

various thematic areas. The third phase (June) involves voting for priorities through a final public assembly in each neighbourhood. Finally, the proposals with most votes are sent to the budget office in October for integration in the municipal budget for the year.

The institutional fit also has implications for the role of expert officials, who in many PB processes play a crucial role in evaluating the feasibility of proposals and engaging in deliberation with citizens and their delegates. Another crucial consideration is defining the role of elected representatives. As noted above, sometimes they play a central role in connecting PB decisions to formal institutional procedures. In cases where this is not required, they can help to mobilise communities to participate, and they can also be involved in the deliberative processes and forums.

In cases where PB is seen as an *ad hoc* community engagement tool, the institutional fit can be of a lesser concern, as the process is not seen as part of the core business of governing. This is often the case for example in community grant allocation schemes or in PB organised by third sector

organisations. Nonetheless, more generally, there are potential frictions between democratic innovations in participatory democracy and established institutions of representative democracy<sup>47</sup>, and PB developers must be aware and ready to address them. One of the problems that PB encountered not only in Brazil, but also in Spanish cities like Cordoba, was the discontinuation of the process due to changes of administration and lack of cross-party support<sup>48</sup>. In other words, party politics can easily override the community politics of PB and, in this sense, participatory institutions typically remain at the mercy of representative institutions.

**Table 2. Summary of key choices in designing and implementing PB.**

PB	Key choices		
<b>1. Emphasis</b>	Social justice and redistribution  (e.g. PB as a policy to tackle social problems and inequalities, and redefine the relationship between state and civil society)	Community engagement  (e.g. PB as a mechanism to involve communities in addressing local problems)	Combined  (e.g. using a pre-agreed budget matrix that allocates more funds to disadvantaged areas)
<b>2. Scope</b>	Organised around a theme or service  (e.g. health, education, housing)	Organised geographically  (e.g. ward, locality, region)	Combined  (e.g. a particular service in a particular geographical area)
<b>3. Scale</b>	Neighbourhood  (e.g. PB takes place at the level of the ward or the neighbourhood)	Multilevel  (e.g. the process involves several levels, from the neighbourhood or ward to the town, city or municipality)	
<b>4. Funding</b>	Community grants  (e.g. programme funds; pooled budgets)	Mainstream budgets  (e.g. percentage of an ongoing area or service budget)	Combined  (e.g. a mainstream budget topped up by <i>ad hoc</i> funds)
<b>5. Facilitation</b>	In-house  (e.g. facilitators belong to the organisation that funds the process)	External  (e.g. facilitators are independent from the sponsoring organisations)	Combined  (e.g. mix of in-house and external facilitators)

<b>6. Proposals</b>	From the community  (e.g. projects and initiatives are proposed by citizens, community groups and third sector organisations)	From the authorities  (e.g. government departments, agencies or public services propose a menu of initiatives)	Combined  (e.g. proposals for expenditure are formulated by both communities and authorities)
<b>7. Participants</b>	Direct citizen participation  (e.g. any citizen affected by the decisions at stake)	By intermediaries  (e.g. representatives from organisations and communities)	Combined  (e.g. forums that include citizens and representatives)
<b>8. Participation</b>	Aggregative  (e.g. participants express their preferences through voting)	Deliberative  (e.g. participants express their preferences by deliberating in assemblies)	Combined  (e.g. participants deliberate in assemblies before voting)
<b>9. Decision making</b>	Devolved  (e.g. citizens decide)	Centralised  (e.g. citizens are consulted but the decision remains with the relevant budget holders)	Combined  (e.g. citizens and budget holders co-decide)
<b>10. Institutional fit</b>	Within representative institutions  (e.g. the final budget must be approved by elected bodies and thus timeline mirrors annual budgetary process)	Outwith representative institutions  (e.g. the budget is allocated by an organisation that does not require final approval by elected bodies)	Combined  (e.g. a government department or partnership develops the process in collaboration with elected representatives)



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## Principles for effective PB delivery within Scotland

In order to ensure the PB delivery principles are useful and relevant it is important to consider and summarise PB implementation within Scotland to date. Within Scotland PB has been utilised as a policy device with a primary goal of community engagement as opposed to being a vehicle to fundamentally re-orientate the relationship between political actors, civil society, and the state. As both a cause and a consequence of this, funding for PB in Scotland has been limited and, *ad hoc*.

Although the appetite for PB is undoubtedly growing there remains no visible long-term commitments to embedding PB processes within defined service delivery budgets. PB has tended to be geographically defined at a neighbourhood level in Scotland, although there are some examples of thematic approaches<sup>4</sup>. The forms of implementation of the PB process have been wide-ranging across the examples we reviewed in Scotland; facilitation, the origins of proposals, model of participation and decision-making processes have all varied.

Focusing on this Scottish context we now outline ten principles for the delivery of PB in Scotland. The principles make reference to the most appropriate strategic design choices (outlined in the previous section) for Scottish PB. The principles also detail other strategic and practical considerations in delivering PB delivery in Scotland. Recognising the breadth and diversity in PB delivery, not all principles will be directly applicable to all PB programmes.

### Principle 1: PB is a long-term endeavour

The current economic climate, public sector cuts and welfare reform has put the public sector in Scotland under considerable pressure. A number of services are essentially being asked to do more with less. With this in mind, on first inspection PB may seem an unpalatable prospect for many services. PB may feel like 'giving away' even more of an already stretched budget. These initial responses to PB may preclude an understanding of the many longer-term benefits of PB.

PB does not represent a quick fix to any of these budgetary pressures but if successfully implemented PB can, over the long term, attract additional resource to disadvantaged areas<sup>30</sup> – outwith public sector budgets. This may alleviate pressure on some budgets and services. Where PB has been successfully evidenced within communities it gives funding bodies more confidence to invest. A key factor in enhancing funding bodies' confidence is that PB enables a more authentic representation of public and community

interest; meaning that local issues and their solutions are more accurately defined than it is reasonable for large scale public services to be expected to do<sup>38</sup>.

PB has also been shown to engage socially-excluded individuals, when delivered in conjunction with other engagement strategies and over the long term<sup>30</sup>. In this regard, PB can represent a new channel of communication with disadvantaged groups and can be a potential vehicle to promote access to relevant public and third sector services, interventions and initiatives to support marginalised and excluded individuals<sup>49</sup>. More effective engagement with such individuals may promote better outcomes. PB can build social capital within communities and can play an important initial step towards improving the confidence, skills and wellbeing of residents within disadvantaged communities, although measurement and attribution of the impacts of PB is difficult<sup>50</sup>.

PB also encourages innovation and entrepreneurial spirit, as it is built upon an asset-based way of working and mobilises community members to give their time, skills and energy – potentially achieving better value in some areas than public sector service delivery alone<sup>51</sup>; again potentially alleviating some demand on stretched public sector budgets. Evidence supports that PB promotes fresh perspectives, new insights and community-led solutions to seemingly intractable local issues. The reputation of PB and confidence in the process can only be maximised when an effective PB process is followed by high quality and effective PB funded projects<sup>30</sup>. This point and the types of change and influence PB aims to have within communities and the public and third sectors demand a long term commitment to PB processes and projects. Robust evaluations over significant periods should be a key part of this.

### **Principle 2: PB requires strong leadership, time and resource**

As described in 'Choice 10' in the previous section some of the most effective implementation of PB has involved significant 'lead-in times', in some instances several months of preparation time has been required before the budgetary decisions are made<sup>26</sup>. This time is essential to prepare for PB within the funding organisation and within the community involved.

Importantly, time is needed to build awareness within the community of the PB programme, its role, its scope, the budget available, the process involved and the governance, evaluation and accountability that comes with funding awards.

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Significant community development and scoping should be undertaken during the preparation time to understand local barriers to engagement with PB and specific considerations such as cultural and language barriers. Despite being a positive pilot, the Govanhill PB programme demonstrates clearly how time constraints directly compromised community engagement and cost the pilot in terms of community representation and wider reach<sup>35</sup>. Other PB studies cite preparation time as essential to building community skills and capacity in order to be able to contribute effectively to the PB process. This may also include being able to develop, submit and present PB funding applications and proposals prepared by communities themselves<sup>52</sup>.

PB requires adequate planning and development time within the organisation providing and administering the PB budgets. An important first step is to be clear on where the PB funds have come from and whether the funding is to be sustained or is likely to be a one-off exercise. Clarity about this is important for all involved in PB, including communities. If PB in Scotland is to advance from *ad hoc* to core service funding, it is vital to make clear which services are suitable for PB and what proportion of budgets can be allocated without compromising statutory service delivery. Regeneration services, particularly social regeneration budgets seem particularly well suited to PB as do pooled budgets within Community Planning Partnerships and Health and Social Care Partnerships. There is nothing to say that PB needs to be implemented under the sole ownership of the public sector. Charities and funding bodies which undertake area-based regeneration and related community-based work may be in a good position to deliver and support PB.

As is most likely to be the case currently within Scotland, PB (as a policy device) will have its own budget allocation separate from service budgets. This may have advantages in the short term, allowing PB funding organisations to ‘cut their teeth’; gaining experience in the implementation of PB. This initial foray into PB, if done well, can build organisational capacity, skills and confidence in the process and outcomes. Strong leadership and vision will be required to ensure learning from early PB work is shared throughout the organisation and recognition of the longer term benefits is embedded within organisational cultures.

Preparation time is also essential for partnership development between the PB funding organisation, the PB facilitator, the community involved and other relevant public and third sector partners operating within the community and supporting the PB process. Utilising partners’ professional perspectives, skills, insights, networks and information in supporting communities to flesh out, mature, implement and evaluate funded PB projects is an important and reciprocal part of the process. PB not only requires resources in terms of the PB budget but also the time and commitment of the community members

involved and potentially several public and third sector representatives during this preparation time, the PB process itself and in governance and evaluation. These staffing resource implications should not be underestimated.

### **Principle 3: PB should be independently facilitated**

PB funding organisations should be involved throughout the PB process. However, in the Scottish context, most funding bodies are unlikely to have PB experience, making it desirable to have independent facilitation, particularly for deliberative forums. One of the key factors contributing to the success of the Govanhill PB pilot was the facilitation provided by Oxfam UK. This skilled facilitation, and the fact that Oxfam were independent to both the funding and the community groups involved was deemed to be pivotal to the PB process by both the community members and public sector workers involved<sup>35</sup>.

Facilitation of PB requires experience of working directly with communities. The facilitator should demonstrate a track record and commitment to community empowerment and enhancing local democratic processes, as well as know-how in terms of process design, conflict mediation and forum facilitation. In addition to being independent, the facilitator must also recognise their obligation to good governance, transparency, equality and accountability throughout the PB process<sup>53</sup>. Ideally the PB facilitator would be committed to the PB project over several years; including significant preparation time to promote community engagement and development, the PB process itself, implementation of the PB funded projects and subsequent PB project governance, monitoring and evaluation.

Public sector workers with some of these skills may be found for instance in Local Authority departments, having relevant experience in relation to community development, community planning and regeneration. The ethos of PB fits well also with the mission and strategic goals of several national and local third sector organisations with staff whose remit is to engage communities and enhance community empowerment and whose skillset would meet the facilitator criteria described. PB funding organisations can helpfully put in place a memorandum of understanding with PB facilitator organisations to ensure clarity between parties as to the impartiality and independent nature of the role and the duration of commitment required from the facilitator. The establishment of a PB facilitator register might also be useful, although which organisation is best placed to do this in Scotland is unclear.

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#### **Principle 4: PB enables an authentic representation of community interest**

The 2012 GCPH report of the Govanhill PB pilot describes the concept of 'pluralism' as the view that power and decision-making sits mostly within government but that many non-government organisations and community groups should use their resources and assets to exert influence within the decision-making process<sup>35</sup>. Pluralism is a central feature of healthy democracies. Local government, public services and democratic institutions have a duty to embrace pluralism and enable an authentic conception of public and community interest within service delivery where appropriate. PB is potentially a central device in achieving this.

To enable a healthy form of pluralism and community interest (within and beyond PB), it first requires enhanced transparency concerning the budgets, expenditure and workings of local government and other public sector services. Some of the most effective and authentic PB is predicated on increased transparency in these areas; indeed transparency is an important consideration in the implementation of PB<sup>54</sup>. Appropriate third sector representatives may be best placed to support the improved transparency required within effective PB, helping community members and public sector workers to engage in a more equal, reciprocal and meaningful dialogue.

Through PB, greater awareness of statutory responsibilities and funding conditions can make citizens more understanding of the constraints within which public services are delivered. In turn, discussion with community members can make public sector and third sector partners more aware of the specific issues affecting a community and the assets the community has to work with<sup>55</sup>. Increased understanding of legislation and opportunities arising in new policies such as the Community Empowerment (Scotland) Act can enable community members to maturely and proactively discuss potential PB projects and their implementation and funding options with their public sector colleagues.

Once again strong leadership is required to embed an organisational culture which views pluralism and transparency as healthy and beneficial to the working of the public sector. Important features of leadership in this regard include an authentic conception of public and community interest within service design and delivery and the recognition that no one group or sector has 'the answer' to any given community issue. Leadership must engender the understanding that working with communities and their assets, through processes such as PB, can lead to a more accurate definition of community priorities and a more effective and better value collective response to these priorities<sup>56</sup>.

### **Principle 5: PB should be a new and distinct approach**

A crucial consideration in the implementation of PB is how the community is represented within the process. As noted earlier, this may entail direct participation by citizens, participation by representatives, or a combination. Accordingly, it is important to define clearly the roles that established community groups, community councils and elected members should play within PB<sup>57</sup>.

Based on the Govanhill PB pilot and the evidence reviewed, it is advisable that a bespoke PB group should be established from the outset – separate and distinct from other community groups and community councils<sup>35</sup>. It is deemed beneficial to the implementation and reach of PB that the process is recognised as different to what has gone before (in terms of community engagement and community projects) and is perceived as a new and exciting opportunity within communities, not one that is ‘owned’ by any one established community group or community-based organisation.

Local elected members and community councils have a potentially significant role to play in raising awareness of PB and in engaging the community in the process. A vitally important point is that although PB is about deepening democratic processes it should be protected from party politics. PB should not be aligned to the party of any one elected member involved nor situated within local politics, disputes or dynamics between community activists and the public sector.

Where there are multi-member wards implementing PB it is beneficial when the elected members of opposing parties can come together to promote PB for the good of the communities they collectively serve. PB can also present the opportunity to redefine politics as value-based deliberation between diverse perspectives with the aim of collective problem-solving and co-production of public services: a process of participative democracy.

### **Principle 6: PB must utilise existing community groups**

Existing community groups and community councils should not be seen to be owning or necessarily leading the PB process, but they should be the ‘first port of call’ when PB is introduced within a community and play a central, collective role thereafter. The Govanhill PB pilot demonstrates the potential of community ‘super-groups’ through which PB can be delivered, acting as stewards of the PB process<sup>35</sup>. The use of community super-groups is well suited to the funding, scale and depth of PB likely to be seen in Scotland in the near future. In establishing PB community super-groups a good starting point is to gather the details of all known community and voluntary groups operating within the relevant thematic or geographic area. Community

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Planning Partnerships, Community Councils and elected members should be able to help facilitate the necessary community contacts.

All community groups should be contacted and asked if they can appoint a representative to become a member of the PB super-group. If PB is organised geographically, these representatives should be part of the community and have experience of the area. From the initial contact with the community groups it is important to clearly communicate what PB is, the planned process, the timescales involved, the budget available and the governance and accountability which comes with the funding. There are potential difficulties here if the number of identified community groups (and hence the number of representatives joining the super-group) is too great, meaning the super-group would be unmanageable during the PB process. Within the Govanhill pilot the number of individuals involved in the PB super-group varied between 15 and 20 throughout. This was thought to be a good number and the PB process generally well managed.

#### **Principle 7: PB must be clear what form of democracy it will take**

PB can be implemented in various ways but, as noted earlier, the literature identifies fundamentally two forms of democracy (and a combination of both) which PB can operate within. The first is centralised democracy where a group of individuals, elected or otherwise, represents the wider community within PB and participation takes place via intermediaries. The second is devolved (direct) democracy where the entire relevant community (whether it is a community of place, practice or thematic interest) has the opportunity to participate in the PB process<sup>27</sup>.

The community super-group approach can be part of the centralised, representative democracy model if it is established to represent the wider community's views throughout the PB process. Super-groups can discuss and decide on community priorities, identifying potential projects and voting on which projects to fund.

However, super-groups can also play a pivotal role in devolved democracy forms of PB if they act as stewards and monitors of the process rather than as decision-makers. Within a direct democracy form of PB, a selection of priorities or proposed projects need to be decided in advance of a wider community vote being organised. Importantly the super-group model represents an alternative to the selection of proposed projects being decided by the public sector or PB funding organisation in a top-down approach; PB super-groups can perform this task, facilitating public forums at grassroots level to decide what funding priorities will be voted on within a direct democracy form of PB.

The key characteristic in both centralised, representative and devolved, direct democratic forms of PB using the super-group method described is that the agenda, the community priorities and proposed projects are decided by community members and hence may represent a more authentic conceptualisation of community interest.

There are pragmatic considerations attached to each form of democracy described. Direct democracy is arguably more just and democratic but may be significantly more expensive and time consuming to implement effectively as the entire community needs to be engaged. Accordingly, PB approaches adopting directly democratic processes have played a limited role in Scotland so far.

PB processes adopting representative forms of democracy are potentially quicker, easier and less costly to implement but may have potential limitations. The proposed super-group approach is of course open to bias in that a small group of individuals has a strong influence on the PB agenda and process<sup>58</sup>. Community engagement for the group and representation on the group are key issues and must be reviewed from the outset and throughout the PB process. These points emphasise the importance of strong leadership and effective independent facilitation throughout the PB process, as described earlier.

The choice of direct or representative models should be informed by the specific context and history of the geographic or thematic area where PB is to take place, and also by the aspirations and objectives for the process. If the priority is to find a new way of allocating funds by involving a range of organised community interests, then the centralised, representative model may suffice. If the intention is to also use PB as a catalyst for broader community empowerment to reinvigorate local democracy, then the devolved, direct model of public participation will be better suited to the task. An incremental combination of both may also be an option depending on the context and the resources available. Another alternative is to allow citizens to elect temporary delegates for the super-group, which establishes a clear link between communities and those who represent them in some phases of the PB process.



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### **Principle 8: PB recognises the challenges in engaging socially excluded citizens**

Effective PB has been shown to improve community group membership and enhance community participation. However, one of the most striking claims is that PB can potentially open up new channels of communication and meaningful engagement between public services and socially excluded individuals<sup>30</sup>. However, PB alone or a broad-brush approach to PB implementation might not be enough. To engage socially excluded groups in PB requires additional and dedicated time, resource and expertise in order to lower the multiple barriers to participation stemming from social inequalities and different levels of self-confidence, education and income<sup>59</sup>. Innovative engagement approaches may be required, as well as ongoing work and relationship-building, in order to ensure that the PB programme is seen as relevant to the lives of people experiencing multiple exclusion. Often this may need to be supported with resources to cover basic needs such as transport or childcare.

To this end it is important to consider at the outset whether the PB programme has the specific goal of engaging socially excluded individuals or whether it will utilise community members who are already engaged in local groups and issues. For the latter, already vocal and active community members would find joining the PB super-group less of a hurdle. Involving socially excluded individuals in the PB process is more just, democratic and representative; it can represent a positive and formative experience for the citizens concerned and can yield invaluable insights for the PB programme – especially when there is a specific goal of addressing inequality. However, the cost and time implications have to be weighed up.

A pragmatic approach might start with a narrower form of PB with already well-engaged community members, followed by a PB process with the specific goal of engaging people who are socially excluded. This would serve to build skill and confidence in the process for all involved and would embed the positive reputation of PB within the community of interest – potentially reducing barriers for the participation of more marginalised community members. However, this presents the risk of PB being perceived as being owned by those well-engaged participants, who may in some cases be reticent to open the process to others. Again strong leadership and appropriate facilitation are important throughout. If a PB programme does have the explicit goal of engaging socially excluded individuals then it should utilise and dovetail with existing community development work in the area<sup>30</sup>. Contacting Community Planning Partnerships and Neighbourhood Partnerships may be a positive start here.

### **Principle 9: PB has realistic expectations of community representation**

Representing the views and aspirations of a community both fairly and effectively is a fundamental pillar of PB; however this is a nuanced issue<sup>49</sup>. The levels of funding likely to be allocated to PB in Scotland presently may limit the scope and reach of the PB process and its representativeness; it is important to strive for community representation but it may never be fully achieved. Taking the Govanhill PB pilot as an example, there are over 50 languages spoken within the Govanhill neighbourhood; to try to represent the diversity of these languages let alone other socio-demographic variances across the neighbourhood within one PB super-group would be unmanageable<sup>35</sup>.

Govanhill represents an extreme example, but the same can be said of many communities in Scotland and beyond, with complex needs. A manageable number of community members within super-groups, in terms of ease of meetings, administration of the group and ensuring all members have the opportunity to contribute (for example 15 to 20 community members) can never truly represent the views of thousands of people.

When implementing PB with a community super-group, it should be made clear from the outset that the representativeness of the group will be assessed and regularly reviewed. If it is clear that certain characteristics of the neighbourhood are completely unrepresented, such as young people, women or a prominent ethnic group then the group should try to address this immediately. This may be a challenging process, but one option might be that community group representatives who have recently joined the PB super-group could nominate another member of their original community group to take their place if their inclusion would help improve the representativeness of the super-group. Another option is to draw inspiration from some of the processes mentioned earlier, and form the super-group with delegates elected by the communities involved. These delegates can then maintain ongoing communication between the grassroots and the strategic levels of the PB process. Usually, such delegates cannot be elected more than two years in a row.

Most communities have community champions; individuals, who regularly engage with community activities, have a longstanding connection to an area, a community group or club<sup>60</sup>. In trying to address the issue of the most vocal minority appearing to speak for the majority, care must be taken to ensure that community champions are not branded as the vocal minority or 'the usual suspects' who would engage with any community activities. Such a perspective is disrespectful to community members who consistently give their time and energy to community activities and is not in keeping with the ethos of PB which seeks to empower and involve the views of all community

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members. Instead, community champions should be encouraged to consider wider community issues (beyond those affecting them specifically or which represent a longstanding interest or passion) and supported so that they can act as facilitators and catalysts for broader public participation in the PB process.

Facilitation of PB should make clear that all members of the super-group have a chance to shape the PB process and that all views are of equal weighting. Equally, the role of the super-group should be defined clearly and transparently, so that it does not necessarily have more power than the citizens that participate in deliberating and voting in PB forums. In this sense, members of the super-group can be understood as trustees or guarantors of the quality of the process.

#### **Principle 10: PB allocates reasonable funding to a limited number of projects**

In order that the benefits of PB can be realised more fully in Scotland, and its reputation enhanced, it is important that the projects funded and their outcomes are meaningful and tangible. It is also desirable that the projects funded demonstrate financial sustainability, although this is not necessarily essential and depends largely on context. It is clear therefore that each PB funded project must obtain a reasonable level of funding. The budget of £200,000 in the Govanhill pilot is illustrative of a sum of money which funded three substantial and sustainable projects in 2012.

Although the PB funding decisions should be led by the community there are risks in diluting PB funds across several smaller projects. Firstly, as discussed, effective PB demands investment of time and resources and requires capacity building within both the PB funding organisation and the communities involved. It is unlikely that the required investments and capacity building that are essential for effective PB can be spread or replicated across many small projects. It may also be that the potential outcomes of small project funding are not commensurate with the investment and capacity building required. In order to raise confidence in PB, the process and outcomes must represent a good use of everyone's time and resources.

Secondly, as noted earlier in principle five (PB should be a new and distinct approach), it is desirable that PB is recognised as a new and distinct development within communities. Using small amounts of PB funds runs the risk of PB feeling akin to community grant schemes that have gone before, resulting in the PB ethos and longer-term benefits and vision not being recognised or realised by communities or the funding organisation.

In Scotland, PB funds have the potential to be targeted by identifying priority disadvantaged communities based on national metrics of deprivation. In addition, funders may consider particular characteristics of communities which make them more of a priority than official statistics might suggest; such as cultural and language barriers which negate sections of the community from participating in local democratic processes. PB funders may also wish to consider the degree to which a community is already mobilised and engaged with local democratic processes and decision-making and how best the PB funds can be used. Communities already mobilised may require less time and resource to establish PB. This relates to principle eight (PB recognises the challenges in engaging socially excluded citizens) and whether the PB programme has explicit goals of engaging socially excluded individuals. Furthermore, if the aim of a PB process is to tackle inequalities, then it is advisable to consider establishing a redistribution formula that allocates larger pots of money for PB in areas facing particularly complex problems and deprivation.

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## Conclusions: the future of PB in Scotland

In this paper we have outlined ten strategic choices in PB design and ten principles for effective PB delivery in Scotland. Democratic innovators developing PB processes have the responsibility of making design and implementation choices that fit their context and purpose. We have outlined some of those key choices and principles hoping that this may provide some clarity about important options and their potential consequences.

The first key question for PB practitioners and sponsors is ‘what do we want to achieve by establishing a PB process?’ Then, they can contemplate the design and implementation options feasible for their context and suitable for their purpose. This will not be a straightforward process, and it may take years to develop, experiment and bed in. There are therefore important considerations in terms of sustainability and how to create a stable framework for a PB process to become established and effective. Regardless of the type of PB carried out, there are some core challenges:

- **Cultural challenges:** PB requires reshaping mindsets and ways of working, so that collaborative decision-making and participatory democracy can take hold. This requires learning and commitment from public and third sector organisations, elected representatives, community groups and citizens. New forms of leadership are also necessary – specifically, ‘facilitative leadership’ involving the ability to bring people together across divides in order to engage in collective problem-solving, deliberative decision-making and creative co-production.
- **Capacity challenges:** PB requires a broad range of skills including process design, organisation, coordination, communication, mediation and facilitation. It also takes local knowledge and the necessary know-how to build trust, negotiate competing agendas and create spaces for meaningful dialogue and deliberation.
- **Political challenges:** PB can bring a new type of participatory politics that may clash with established relationships and dynamics, and challenge the status quo of existing organised interests in a particular community. It can also clash with party politics and electoral dynamics, and it may be difficult to build the cross-party support that can give PB a stable framework for long-term development.
- **Legitimacy challenges:** As with any public participation process, there is the risk of tokenism by which PB may become a symbolic rather

substantial opportunity for community empowerment. In the current financial context, there is also the risk of using PB for administering spending cuts, and this may undermine its perceived legitimacy. Moreover, PB that fails to mobilise substantial resources to tackle community problems and priorities may be seen as a distraction from other projects and initiatives and lose support from those who want to make a difference in their communities. Consequently, PB must be worth people's effort, time and commitment.

- Sustainability challenges: All of the above suggests that PB requires sustainable funding, long-term commitment, ongoing learning and adaptation and sometimes institutional reform. Accordingly, it can take years to bed it in and make it work effectively.

There have already been some experiences of PB in Scotland, and we can learn from, and build on, them. A forthcoming paper as part of the What Works Scotland programme will provide a systematic review of existing evidence on these processes.

In this paper we have drawn on international evidence as well as local learning such as the Govanhill PB pilot. But we have also argued that this is not a matter of importing 'off the shelf' models. The metaphor here is not 'transplanting' but translating and adapting key design choices and principles so that we can develop processes that work for Scotland. Given the vibrancy and diversity of third sector organisations and community groups in Scotland, we have emphasised the role that 'super-groups' may play in providing stewardship and oversight for PB processes. This is in tune with the collaborative and partnership ethos of the emerging 'Scottish approach' to policy-making and public service delivery<sup>61</sup>. For example, the ethos, process and objectives of PB can be easily mapped onto the four pillars from the 2011 Christie Commission on the Future Delivery of Public Services<sup>12</sup>:

- Partnership: PB requires collaboration across organisational, departmental and geographical boundaries, and may provide new impetus to existing partnerships.
- Participation: PB can enable substantial participation by citizens and communities, and provide a platform to channel the aspirations of a citizenship that is becoming less trusting in and deferential towards traditional forms of authority and hierarchical decision-making.
- Prevention: PB can open up space for rethinking priorities and overcome short-term thinking, so the difficult decisions that authorities sometimes struggle to make can be addressed through open public deliberation and

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informed collective judgement. In addition, PB can mobilise local knowledge that may help to tackle complex and deeply rooted problems.

- **Performance:** PB can stimulate effectiveness by increasing transparency, monitoring and scrutiny of how public money is spent. It can also foster local creativity, entrepreneurialism and collaboration in order to articulate new solutions and initiatives.

Part of the reason why PB has become one of the most popular democratic innovations of the last two decades has been its substantial impact in tackling inequalities, solving local problems and increasing civic engagement in some Brazilian cities. Its impact in other countries, however, has been less impressive but nonetheless significant. In many ways, Scotland is at the start of its PB journey and this may lead in multiple directions. Accordingly, we conclude this paper with a recognition that we need to research and learn from the types of PB processes that are being developed, the changes that these are bringing to policy-making and public services, and the type and level of impact that PB is having on communities. We hope many others may join us in this research endeavour so that we can support evidence-informed PB practice in Scotland.

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