

# **Evaluation of Participatory Budgeting Activity in Scotland 2016-2018**

**Angela O'Hagan, Clementine Hill O'Connor,  
Claire MacRae and Paul Teedon**

**May 2019**



**Scottish Government**  
Riaghaltas na h-Alba  
gov.scot

## Contents

<b>Contents</b> .....	<b>2</b>
<b>Introduction</b> .....	<b>5</b>
<b>1. Part One – Policy Context and Evaluation</b> .....	<b>7</b>
Introduction .....	7
Key Points.....	7
1.1. Landing PB in Scotland: The Policy Context.....	7
1.1.1. Introduction.....	7
1.1.2. Forms of PB .....	8
1.2. Scottish Government action to promote PB and Community Choices.....	10
1.2.1. Introduction.....	10
Key Points.....	10
1.2.2. Policy context .....	10
1.2.3. PB implementation in Scotland .....	12
1.3. Approach to the Evaluation .....	16
1.3.1. Introduction.....	16
1.3.2. Evaluation Criteria .....	17
1.3.3. Methods.....	18
<b>2. Part Two – Findings from the Evaluation</b> .....	<b>25</b>
Introduction .....	25
Key Points.....	25
2.1. The 3 T’s model: understanding Participatory Budgeting in Scotland.....	26
2.1.1. Introduction.....	26
2.1.2. The 3 T’s – Transaction, Transference and Transformation .....	26
2.2. Defining PB in Scotland.....	27
2.2.1. Introduction.....	27
2.2.2. Operational definitions of PB.....	28
2.2.3. Localised rationale for engaging in PB.....	30
2.3. Early Processes: PB Events and the small grants model .....	31
2.3.1. Introduction.....	31
Key Points.....	31
2.3.2. Small grants model .....	32
2.3.3. Trends in PB applications .....	33
2.3.4. Grant giving and ‘fairness’ .....	37

2.3.5.	PB as a transactional process.....	38
2.3.6.	Tensions resulting from PB process .....	40
2.4.	Impacts on Communities.....	41
2.4.1.	Introduction.....	41
	Key Points.....	41
2.4.2.	PB as community networking.....	42
2.4.3.	Extent of participation.....	43
2.4.4.	PB in the context of budgetary constraints.....	47
2.4.5.	Deliberation, participation and cultural change .....	48
2.4.6.	Involving excluded and marginalised community groups.....	49
2.4.7.	Building community capacity: achieving transformational change.....	51
2.5.	Impacts on Services .....	52
2.5.1.	Introduction.....	52
2.5.2.	Small grants as proxy for council services - processes of transference.....	53
2.5.3.	Transference of power or resources .....	54
2.6.	Impacts on local democracy.....	57
2.6.1.	Introduction.....	57
2.6.2.	Local authorities as partners with communities .....	58
2.6.3.	Citizen engagement and community empowerment.....	59
2.6.4.	Transforming local democratic structures and capacity building .....	62
2.7.	Impacts on tackling inequalities.....	64
2.7.1.	Introduction.....	64
2.7.2.	Understanding equality and addressing inequality .....	65
2.8.	Moving to the mainstream: Implementing the 1%.....	70
2.8.1.	Introduction.....	70
2.8.2.	Perceptions of the 1%.....	71
2.8.3.	Interpreting the 1%.....	73
2.8.4.	Community awareness and understanding.....	75
<b>3.</b>	<b>Part Three – Implications for Policy and Practice .....</b>	<b>78</b>
	Introduction .....	78
	Key Points.....	78
3.1.	Characterising and rethinking PB: revisiting the 3T’s model.....	78
3.2.	Reflections and ways forward .....	83
3.2.1.	Introduction.....	83

3.2.2.	Character of PB in Scotland: towards a Scottish model? .....	83
3.2.3.	Actions for impact on communities .....	84
3.2.4.	Actions for impact on services .....	84
3.2.5.	Actions for impact on local democracy.....	85
3.2.6.	Actions for impact on tackling inequalities .....	85
3.3.	Conclusion.....	86
	Appendix One.....	88
	References .....	90

**4. List of Tables and Figures**

Table 1.	Chronology of PB in Scotland.....	13
Table 2.	Case Study Selection Criteria.....	19
Table 3.	Evaluation Activities.....	21
Table 4.	PB Events and Award Amounts.....	35
Table 5.	Indicative Award Amounts .....	36
Table 6.	Principles of PB .....	81
Figure 1.	3T's of PB in Scotland .....	27
Figure 2.	Expanding the 3Ts Model.....	80

## Introduction

Through various processes of policy learning and transfer by governments, civil society organisations, academic and social networks, Participatory Budgeting (PB) has been rolling out across the world as a form of local engagement in decision making on how resources are allocated to neighbourhood, city, village, or specific groups of people for over thirty years. Participatory Budgeting (PB) originated in Puerto Alegre in Brazil during the 1980s and is a process of democratic deliberation and decision-making, in which communities decide how to allocate part of a municipal or public budget.

This report is the final output of an evaluation of such PB activity in Scotland commissioned by the Scottish Government in 2015 and which was based upon fieldwork conducted throughout 2016 until September 2018. The specific areas of focus for the evaluation, as determined by the Scottish Government, were the identifiable impacts on local communities, local services, local democracy, and tackling inequalities. The design and approach to the evaluation study is set out in detail in section 1.3. Over a three-year period, the evaluation project included observations of PB activities, participatory action research and multiple in-depth interviews with elected members, council officers and community members engaged in PB in order to analyse how PB is understood, defined and expressed by local authorities and communities. In addition, the evaluation sought to explore perspectives on the future development of PB in Scotland, with a particular focus on how local authorities are approaching the implementation of the 1% target for local authorities by 2021.

The evaluation study commenced in October 2015; by which point the Scottish Government had already been engaged in promoting PB through a funded-training programme with local authorities for over a year. The PB Working Group, comprising Scottish Government and external stakeholders, had been established in 2014 and had overseen the development of the brief for the evaluation of national activity. In its early stages the evaluation ran concurrently with the ongoing training provided by [PB Partners](#), and the evolving formulation of conceptual understanding of PB by local authorities and local communities as well as the character of PB-related activity. At this early stage this activity was primarily focused on small-grants processes at local community level.

The findings in this report therefore reflect a dynamic process of delivering PB through local authorities at the same time as the policy context continued to develop. These developments included the Community Empowerment (Scotland) Act 2015 being passed and specific measures affecting the character and delivery of PB being implemented from 2016 onwards. In 2016, the Scottish Government committed to continue support for the expansion of PB through the Community Choices Fund, designating substantial resource to support the implementation of participatory decision making, to be known as 'community choices' in local areas. A further significant policy change which occurred during the evaluation period was the development of the [Community Choices 1% Framework Agreement](#) between the Scottish Government and the Convention of Scottish Local Authorities (COSLA), agreed in 2017, setting "a target of having at least 1% of their budget subject to Community Choices budgeting (PB)" (COSLA, 2017) by 2020/21. The

evaluation report aims to reflect the changing policy context and the developmental nature of design, delivery, and development of PB by local authorities across Scotland in the 3-year period under review.

Presenting the findings from the evaluation, this report is structured into the following sections. Part One discusses the policy context of PB in Scotland and the approach to the evaluation. Part Two is the substantive section of the report as it presents detailed findings from the evaluation. Part Three discusses the findings in relation to the conceptual and empirical literature and moves into consideration of the implications for future policy and practice, and some overarching conclusions on PB and specifically implementing 'the 1%'.

A major contribution of this report is the presentation of the 3T's model, developed within the evaluation project as a way of characterising approaches to PB in Scotland as "transaction, transference, and/or transformation" which has been used as a framework of analysis in this evaluation of PB activity in Scotland. This reflects the dynamic nature of continuing development in Scotland as participation in local decision making on public resources moves from a funder-beneficiary model to empowered engagement in mainstream budget decision making. This is particularly the aspiration of the joint Framework Agreement between the Scottish Government and COSLA that committed local councils to the 1% target.

Throughout, the report findings are substantiated from the significant amounts of primary data generated through interview, observation and action research over three years of inquiry and analysis.

# 1. Part One – Policy Context and Evaluation

## Introduction

The sections in Part One provide the policy context leading up to, and during, the evaluation, and the approach to the evaluation. Section 1.1 outlines the international and Scottish policy contexts of the development and implementation of PB to contextualise the research conducted during this evaluation. Section 1.2 offers a summarised chronology of the Scottish Government's action to promote PB and Community Choices, including the institutional and financial arrangements made in supporting a national development programme. Section 1.3 details the practical approach to the evaluation design in a changing environment with multiple community, organisational, and political interests in play.

## Key Points

- There is enthusiasm for increased and improved community engagement.
- There is political commitment to experiment with PB as a concept to be transferred and adapted within the Scottish context.
- While the fluid and dynamic policy context in Scotland has provided enabling conditions for the adoption of PB as a positive approach to improving community engagement, it has also contributed to the variances in definitions, meaning, and focus of how PB has been implemented conceptually and in practice.
- Policy changes have moved at a different pace from developments in practice and have not consistently been informed by practice.
- The approach to the evaluation design aimed to reflect and keep pace with evolving practice with distinctive contexts at the local level and across Scotland.
- Participatory budgeting is considered to be an innovative policy and policy instrument for improving community engagement and supporting community empowerment.
- A dynamic policy context is driving process change at the local level.
- There is political commitment from central government.
- The Scottish Government have invested in funding to support development and exchange of practice.

## 1.1. Landing PB in Scotland: The Policy Context

### 1.1.1. Introduction

Empowering local communities to engage directly in how and where public funds can be used to shape public services and their delivery is a principal aim of PB (Gomez et al., 2016), necessitating increased connectivity, trust and participatory democracy for communities (Gonclaves, 2014). As highlighted throughout this evaluation project, a core characteristic of PB is its potential to transform the relationship between citizens and the state through the increased involvement of local communities in financial decision-making processes at a local level. PB has taken many forms as it has developed and adapted to different financial, political, economic, and social contexts. The adoption and

implementation of PB have been approached differently depending on whether the initiative is led by citizens, local or national government, or civil society organisations.

### **1.1.2. Forms of PB**

Scotland's recent experience of adopting, adapting, and implementing PB in Scotland has been the focus of ongoing analysis and dissemination (Escobar et al. 2018; Brun-Martos and Lapsley, 2017; Harkins and Escobar, 2016, 2015). [The 2017 Interim Report from the evaluation study](#), confirmed the developing nature of PB implementation in Scotland. Additionally, it drew out the range of conceptual and operational challenges and differences among those involved in different processes and approaches to PB and characterised these elements then as "transactional, transference, and transformational" (O'Hagan et al. 2017). It argued that while a long-term focus of PB is the transformational inclusion of communities in budgeting decisions for mainstream services, distinct challenges persisted in the theorising and design of PB, implementation and achievement of policy objectives in a public finance context of reducing resources and the ongoing reform of public services.

PB has been characterised, either separately or in parallel, as a policy instrument (governance) or as a policy device (community engagement tool) (see Harkins and Escobar, 2015, p.13). As a community engagement tool PB-styled activity has been framed and operationalised as a means of bringing local residents and community members together to discuss and deliberate on local priorities, decide on local priorities and for the allocation of resources to meet those agreed needs. In this context it is not necessarily a means of transferring elements of power and control of mainstream budget allocation to communities, nor does it contain the transformative intent of changing the power relationships between public authorities and local communities.

PB is a developing innovation globally, with limited adoption to date across the UK (Brun-Martos and Lapsley, 2017) with notable exceptions of the activities of civil society organisations and encouragement from social enterprises such as PB Partners and their predecessor the Participatory Budgeting Unit. From the introduction of pilots in Scotland, PB has been described as progressing through 'generations', from small-scale pilots based around local areas and small grants, into the development and operationalising of the 'Community Choices Fund' by the Scottish Government from 2016, marking the second generation. The 2017 commitment to extend participation into mainstream council budgets takes local authorities and the Scottish Government into what Escobar et al. (2018) have referred to as the third generation of PB in Scotland. This background provides useful insights for the wider evaluation which had four key areas of focus: the impact of PB on local communities, services, democracy and how it is tackling inequality.

Scotland has had its own distinctive experience of PB, from isolated activity in different parts of the country in the early 2000s comprising a range of initiatives led by community-based organisations, such as Leith Decides, and intermediaries like the Coalfields Regeneration Trust. Since 2014, the Scottish Government has funded a national programme to support the introduction of PB through local authorities and the creation of



structures for networking, information exchange, PB champions, and implementation of digital voting methods. This level of governmental support is unusual, and a distinctive feature of the Scottish experience. The policy and financial context is also specific to Scotland; as with all examples of policy transfer and policy learning, local context is highly significant. In the academic literature, there has been considerable discussion about the form and nature of PB with a range of descriptions and characterisations in play, some of which are discussed in this report and used to frame the findings from the three-year evaluation.

For many of the contributors to the evaluation evidence presented here, PB is a community engagement tool, intended to bring local communities together for local and small-scale decision making. In terms of deliberative and participatory democracy these are important and valuable activities. There has been significant enthusiasm for the concept of PB and a considerable amount of activity by local government officers and elected members to deliver PB events and processes. However, the various approaches led by local authorities conceived and designed in the early 'generations' of PB were not necessarily intended to realise more substantial structural and procedural changes that longer term, transformative participation in local resource allocation decisions will require. Upscaling in the ways that will be required to turn PB in Scotland into a process of community participation in mainstream budget decisions as proposed in the 2017 Framework Agreement, presents new challenges for local authorities, their public sector partners, and communities.

Furthermore, the introduction of PB has to be considered in the context of austerity and budget cuts, giving rise to apprehensions that PB has been utilised as a way to deliver elements of reconfigured public services. Whilst budget allocations were reducing, local authorities were expected to remain focused on their key objectives in reducing inequalities and supporting communities by building capacity and resilience. The tensions in Scotland's public finances persist as allocations both to and from the Scottish Government remain constrained.

The policy context in Scotland is complex and dynamic. The role of local government and Scotland's governance is the focus of the 'Local Governance Review' (LGR) launched by the Scottish Government in 2018 and which will be reporting in 2019. This review was underway at the same time as this evaluation was running. The aim of the LGR is to identify potential reforms in the way that Scotland is governed to give greater control to communities. The findings and outcomes from the LGR will be relevant to the implementation of implications for action to support PB in the wider context of public sector reform and changes in local governance arrangements.

There is strong political rhetoric and legislative underpinning for empowered community engagement and PB sits within that policy framing. How that intention has been operationalised and with what effects is the focus of the evaluation across four areas of impact – local communities, services and democracy, and impact on tackling inequalities. Identifying how PB is defined and operationalised by individuals in communities and local councils, and the implications of different perceptions and expectations for PB has been

an essential part of the evaluation. Mindful of the wider context of resource constraint and the transference of responsibility, the evaluation has also explored the transformative potential of PB. This approach has shaped the substantive analysis of the evaluation of PB activity from 2015-2018 set out in this report.

## **1.2. Scottish Government action to promote PB and Community Choices**

### **1.2.1. Introduction**

The Scottish Government began its explicit political and financial support for PB in 2014. With an initial focus on local government, PB was presented as a way of engaging local communities in the allocation of public funds for public services, defining PB as a concept which is “recognised internationally as a way for people to have a direct say in how local money is spent.”<sup>1</sup> This section summarises the chronology of Scottish Government support for PB.

### **Key Points**

- The Scottish Government funded a national programme for development of PB knowledge, practice and exchange.
- PB is variably defined, conceptualised and operationalised by local authorities.
- There are multiple frames of community engagement and community empowerment that are shaping the introduction of PB in Scotland.

### **1.2.2. Policy context**

The lead-in to the formal introduction of PB in Scotland dates back to 2007 following consultation and dialogue with communities and local government through the Scottish Government’s “Strengthening Scotland’s Communities” programme. This resulted in “Community Empowerment: Celebrating Success: Inspiring Change” [a joint action plan with COSLA in 2009]<sup>2</sup> which expressed a desire to create empowered communities and highlighted PB as a way through which this could be achieved. This action plan also contained a commitment to implement pilot PB schemes to tackle “Anti-Social behaviour ... across three Community Planning Partnership areas as part of the community empowerment agenda”<sup>3</sup>. In 2010, the Govanhill Equally Well PB Pilot was evaluated by Glasgow Centre for Population Health (GCPH). Among the recommendations from GCPH in 2012 was the call for 1% of public investment budgets to be allocated to PB. This was based on the proposal from the UK PB Unit, which operated between 2002 and 2012, as an appropriate level of mainstream funding allocated to public decision making without adversely affecting service delivery<sup>4</sup>.

---

<sup>1</sup> <https://www.gov.scot/policies/community-empowerment/participatory-budgeting>

<sup>2</sup> <https://www.gov.scot/Resource/Doc/264771/0079288.pdf>

<sup>3</sup> Ibid, page 26

<sup>4</sup> [https://www.gcph.co.uk/assets/0000/3145/GCPH\\_Participatory\\_Budgeting\\_FINAL.pdf](https://www.gcph.co.uk/assets/0000/3145/GCPH_Participatory_Budgeting_FINAL.pdf), p. 33

PB in Scotland has primarily been framed around 3 key areas of legislation and policy direction:

- recommendations for greater cohesion between people and place from the Christie Commission (2011);
- recommendations of COSLA's Commission on Strengthening Local Democracy in 2014;
- and the Community Empowerment (Scotland) Act 2015.

In framing public service reform in Scotland the Christie Commission was cognisant that, for public services to be effective, they should be designed and delivered in conjunction with communities. Equally, reforms to public services should empower individuals and communities via such involvement rather than being delivered 'top-down' by councils. PB was signalled as an initiative that can act as an enabling policy instrument in supporting local community involvement in the financial allocation, design and delivery of public services. The 2014 Commission report<sup>5</sup> sought to strengthen local democratic control and decision making by enhancing the ability of local government to raise revenue locally. It stated that participatory budgeting was "seen as becoming 'the standard by which [participation in decision making] is delivered in Scotland'"<sup>6</sup>.

The Community Empowerment (Scotland) Act 2015 embedded new rights for citizens and communities to participate in policy and decision making, including through the introduction of Participation Requests and Asset Transfer Mechanisms, but not an explicit right or requirement for PB. The emphasis and intention of the Act nonetheless was to increase and enhance community participation in decision making.

A further legislative element with significant potential to support PB is the Public Sector Equality Duty (PSED) contained within the Equality Act 2010. PSED is a positive duty on public authorities to promote equality and tackle inequalities through ensuring policies – including budgets and budget processes – are subject to robust equality-impact assessment and that the processes are consulted upon with relevant stakeholders; to eliminate and mitigate unequal impacts and differential experiences; and to foster good relations in the community. These summarised elements of the PSED, arguably present a proxy definition of PB as it shares the transformative intent (Hepple, 2014) of PSED. PSED has not been as prominent a driver for PB as the other levers, and the evaluation has considered the extent to which it has been maximised as a supporting platform for PB activity at local or national level.

---

<sup>5</sup> <http://www.localdemocracy.info/wp-content/uploads/2014/08/Final-Report-August-2014.pdf>

<sup>6</sup> [http://www.cosla.gov.uk/sites/default/files/documents/17-11-03\\_cwb\\_item\\_09\\_-\\_participatory\\_budgeting.pdf](http://www.cosla.gov.uk/sites/default/files/documents/17-11-03_cwb_item_09_-_participatory_budgeting.pdf)

### **1.2.3. PB implementation in Scotland**

Building on the legislative and policy foundations outlined in the previous section, the Scottish Government made a commitment in 2014 to support PB “as a tool for community engagement” and set up a PB Working Group. According to the Scottish Government, the PB Working Group “works in partnership with the Scottish Government to inform the development of PB so that it is scalable, empowering and transformative. The group includes representatives from national organisations working with communities, plus academics, civil society, PB experts, local authorities and central government. Its remit is to oversee the development of PB in Scotland, support its links to other community empowerment initiatives, and advise on the infrastructure required to help its implementation and impact.”

As set out in Table 1 below, the first actions to support PB included a funded training programme for self-selecting local authorities in 2014. 26 local authorities participated in the PB training, and 20 signed up for PB consultancy support funded by the Scottish Government and provided by PB Partners. The Scottish Government Programme for Government in 2015 stated a commitment to 1% for PB as part of the Community Choices agenda, and reinforced the commitment in the 2016/17 Programme for Government. In January 2016, a further allocation of funding was made available to local councils to support match-funding for PB activity. Fourteen councils applied and delivered a range of activities in the 3 months to March 2016.

**Table 1: Summary Chronology of PB in Scotland**

<p><b>2014</b> – Scottish Government commitment to support and promote PB as a tool for community engagement; PB Working Group established.</p> <p><b>2014</b> – PB experts provided training for local authorities across Scotland to introduce PB to Local Authorities: 113 delegates from 26 local authority areas attended the events.</p> <p><b>2015</b> – 20 councils receive paid PB consultancy support.</p> <p><b>2015</b> – Glasgow Caledonian University commissioned to conduct ‘Evaluation of PB Activity in Scotland.’</p> <p><b>2016</b> – Scottish Government fund 20 councils on a match-funding basis to run PB activity. 14 applied and shared £530,267 to help them build on and maintain their PB activity which resulted in 50 PB events in the first 3 months of 2016.</p> <p><b>2016</b> – Scotland’s first Open Government National Action Plan included a commitment on PB to empower communities through direct action ensuring they have influence over setting budget priorities.</p> <p><b>2016/17</b> – Scottish Government Budget announces £2 million Community Choices Fund to support PB. 33 organisations secured £1.7m and £300k was used for the national support programme which included: consultancy support; digital engagement tools; and training.</p> <p><b>2016/17</b> – 122 community choices events across the country; 39,000 people voting and 1,352 local projects were successful in getting a share of £2,621,441 (£1.7m Community Choices Fund plus match funding from local authorities).</p> <p><b>2017</b> – Interim Evaluation report produced by Glasgow Caledonian University evaluation team and published online by the Scottish Government following presentation at national PB Conference in November.</p> <p><b>2017/18</b> – Scottish Government commit further £2m to Community Choices Fund. 33 organisations shared £1.5m Community Choices Fund for events in 2018. £500k for the national support programme included: consultancy support; digital engagement tools; support and advice; an evaluation programme, capacity-building to develop practitioners and a COSLA PB Development Manager post.</p> <p><b>2017</b> – Scottish Government and COSLA Community Choices 1% Framework Agreement that 1% of council budgets across Scotland will be subject to community choices.</p> <p><b>2017</b> – Scottish Government commission Glasgow Disability Alliance<sup>7</sup> to explore what the barriers to participation are for disabled people in decision making and PB and propose solutions for tackling these barriers.</p> <p><b>2018</b> – PB was highlighted at the Scottish Attainment Challenge Pupil Equity Fund (PEF) Events as an innovative and effective approach to engage pupils and parents in funding decisions. Also included in the PEF Operational Guidelines 2018.</p>
--

(Source: based on Scottish Government presentation to ‘Theory of Change’ Workshop, 16 April 2018, Edinburgh.)

<sup>7</sup> <http://gda.scot/content/publications/Final-GDA-BudgetingforEquality.pdf>

The Community Choices Fund was announced in 2016, renaming PB as 'Community Choices' and allocating £2million to support PB activities across all public authorities, not only councils, and expanding eligibility to community organisations. In 2016, local authorities were delivering a range of events-based engagement processes for community participation in deciding on the local small grant schemes already in place, previously been conducted internally within local authorities. These small grant schemes were used as the starting point from which to introduce more participatory elements to these processes which were to be supplemented with additional funding allocations for local projects enhanced with Scottish Government funding. Community Choices continued in 2017/18 with a further £2million allocated, including £500,000 to support the national programme of consultancy, digital engagement tools, support and advice and capacity building for practitioners. This fund also included a national PB Development Manager post based within the Convention of Scottish Local Authorities (COSLA). PB Partners, an independent consultancy, provided the bulk of the local authority training in the lead-in to and following the introduction of the Community Choices Fund, and continue to provide advice to the PB Working Group.

By this time, the national policy position was moving ahead of the local practice. At local authority and community level, the practice continued to focus on the distribution of small grants, with some thematic activities around mental health, young people, older people, and limited innovations around housing revenue grants, traffic and road spending, and pilots in health and social care, and public transport commissioning. After extensive discussion and consideration on the desirability and implications of shifting community engagement into decision making on mainstream council budgets, the Scottish Government and COSLA issued a Framework Agreement in 2017. Characterised as a "pivotal point for mainstreaming PB in Scotland" (What Works Scotland, 2018), this Agreement commits local authorities to ensuring that 1% of council budgets across Scotland will be subject to community choices.

The specifics of this continuing commitment are for individual councils to decide how to approach what is being called 'mainstreaming PB'. The Framework Agreement attempts to bring together multiple purposes and objectives for PB as it:

"sets PB as the enabler for active participation of citizens in local decision making. It establishes a shared expectation that elected members, senior officers, civil society and local communities will use PB to go beyond the current arrangements for consultation and engagement... The Framework sets out that...the longer term strategic aim of public sector reform can be achieved by applying spend to the greatest areas of need, where social cohesion can be developed or maintained." (COSLA, 2017, p.1)

The apparent intention was to reflect the best practice standards for PB as issued by the PB Unit in 2010 whereby a "partnership approach to PB is taken with mainstream funding identified across a partnership for mainstream services with an aim to shaping how services are delivered in the area." The Framework also "recognises that actively involving local people can make them less passive consumers of public services and more supportive of new models of delivery."

From the statements above, PB is concerned with the active participation of citizens in local decision making; engaging all stakeholders beyond consultation; allocating increasingly scarce resources and reformed public services on the basis of place and need; and shifting local people from 'passive' recipients of services into decision makers on modes of delivery. It is clear from the evidence gathered in this evaluation that as PB has been progressed in Scotland the concept has been loaded with intent and expectation, resulting in a range of interpretations and varying policy objectives attached to it. These multiple expectations of PB comprise a significant conceptual and operational load on public authorities, with an ongoing focus on local authorities.

Furthermore, these expectations for PB exist in a context of diminishing public finances and reductions in allocations to local government. While the strong emphasis in public policy rhetoric in Scotland has been on community engagement and empowerment, cuts to public finance have formed the dominant context. The gradual implementation of these policies of engagement and empowerment has been happening in an environment of ongoing public service reform and diminishing public resources. Local government in Scotland has experienced a period of sustained austerity and as such the landscape, funding and delivery of public services had shifted considerably. The redistribution of risk from central UK Government to devolved governments and subsequently local communities has been apparent, as downward pressures exist from 'austerity' measures and other policies (Asenova et al., 2013; 2014).

A final element of the analysis of the policy context in Scotland concerns the clarity of the conceptual definitions of 'participatory budgeting' and what the term 'participatory budgeting' is understood to mean. The variances in understanding and the application of participatory budgeting as a community engagement tool or method, or as a focus for political change in the relationship between government and citizens is discussed in detail in the subsequent findings sections. The definitions of participatory budgeting used by the Scottish Government during the evaluation period are relevant to how the evaluation study was designed and in the formulation of the findings.

The Scottish Government has identified PB as:

"A tool for community engagement [that] complements the objectives of the Community Empowerment (Scotland) Act 2015, which provides a legal framework to promote and encourage community empowerment and participation. Creating new rights for community engagement and placing new duties on public authorities." (Scottish Government, 2016)

The Scottish Government website offers the following characterisation:

"Participatory budgeting (PB) is recognised internationally as a way for people to have a direct say in how local money is spent. We support PB as a tool for community engagement and for developing participatory democracy in Scotland. PB can:

- support the principle of Public Service Reform that says people should have equal opportunity to participate in decisions shaping their local community and society.
- complement aspirations in the Community Empowerment (Scotland) Act 2015 to give communities more powers to achieve their own ambitions.
- help deliver the Public Sector Equality Duty by advancing equality of opportunity and fostering good relations between different groups.”

The reference to supporting the delivery of PSED has been added during the course of the evaluation, and reflects the findings from the Interim Report at year 2 (O’Hagan et. al, 2017) that highlighted the need for stronger direction to integrate equalities analysis and practice in PB.

## **1.3. Approach to the Evaluation**

### **1.3.1. Introduction**

This section outlines the approach to the evaluation including the evaluation criteria, research methodology and understanding the wider context. Between 2015-2018 the research team undertook interviews with local authority elected members, officials and finance directors from urban and rural Scottish councils who were involved in the early implementation of PB through Scottish Government funding. In addition, the team attended PB events across Scotland to observe PB processes and held focus groups, interviews and conducted a survey with community representatives to explore the lived experience of PB. The following section presents a detailed overview of the research conducted during this evaluation.

### **Key Points**

- There are four areas of impact that the evaluation focuses on: impact on communities, services, local democracy, and tackling inequalities.
- A mixed case study approach was taken, the sample comprises urban, rural, and mixed; single and multiple local authorities are included within the case studies.
- Multiple methods of qualitative evaluation were utilised across the evaluation, including observation, interviews, learning set, documentary analysis, and surveys.
- The evaluation extended to three years at the end of the second year to consider the potential impact of introducing the 1% target (Community Choices 1% Framework Agreement).



### **1.3.2. Evaluation Criteria**

The overarching focus of the project was to evaluate PB activity in Scotland. in relation to four central areas, as set out in the Scottish Government specification for the evaluation:

- What are the impacts of the PB approaches and activities on communities?
- What are the impacts of the PB approaches and activities on services (where the PB process relates to a significant service budget)?
- What are the impacts of the PB approaches and activities on local democracy?
- Explore the relationship between PB activity and its agenda to tackle inequalities?
- Explore the implementation of the 1% mainstream approach to PB.

The fifth element of the evaluation was added in 2017 following the introduction of the Scottish Government / COSLA Community Choices 1% Framework Agreement.

In constructing the areas of inquiry for the evaluation, the key research questions were broken into the following elements:

#### **1. Impacts of the PB approaches and activities on communities?**

- Development of individual skills, experience and confidence.
- Development of organisational capacity.
- Improvements in social capital, social cohesion, etc..
- Improved perceptions of influence and attitudes towards community action.
- Improved perceptions of local services, and potentially improved experiences of services.

#### **2. Impacts of the PB approaches and activities on services (where the PB process relates to a significant service budget)?**

- Changes to services arising directly from PB processes (including questions of whether resources have been reallocated to disadvantaged areas).
- Changes to responsiveness of services.
- Changes to partnership working.

#### **3. Impacts of the PB approaches and activities on democracy?**

- Levels of civic participation.
- Connections between Councillors and community organisations in their ward.
- Councillors awareness and ability to identify participatory forms of democracy at ward and council level.

#### **4. Relationship between PB activity and its agenda to tackle inequalities?**

- PB could be a vehicle that enables all sections of the community (irrespective of gender, disability, ethnic origin, colour, citizenship or other social status or identity,

specifically those characteristics protected under the Equality Act 2010) to engage in local decision-making.

- That it reduces, rather than increases, inequalities within and between communities and effectively expands inclusive participation.

## 5. Implications of the implementation of the 1% mainstream approach to PB?

- In what ways are local authorities rolling out the 1% focusing on two elements - a close-up, action research focus on perspectives from practitioners and community activists, and on the organisational preparedness for implementing the 1% commitment?

### 1.3.3. Methods

Adopting multiple qualitative methods for engagement and data generation, the evaluation comprised elements of action research to reflect the participatory nature of the focus of the evaluation (PB); a case study design for sampling and data capture across a range of variables (see Table 2); and an extended series of semi-structured interviews with relevant stakeholders. Our original proposal was for a series of case studies to be constructed to provide sample data on the range of activities that were already underway when the evaluation commenced, and which would allow flexibility to respond to changing processes and practices as the evaluation continued. The selection criteria for the sample case studies were proposed by the evaluation team and agreed in consultation with the Scottish Government at the inception of the evaluation.

The evaluation team proposed criteria set out in Table 2 below. Mindful of the scale of the project in relation to the notional workload – as distinct from the nominal allocation in the original specification - this included consideration of costs and time efficiencies for the project, including consideration of co-terminous local authorities, travel time for researchers, and other practical elements of the research design, including access to contacts and pre-existing research relationships.

**Table 2: Case Study Selection Criteria**

	Western Isles	Glasgow	Edinburgh	Aberdeenshire	Pan Ayrshire (North, South, East)	Fife
Experience of PB		X	X			X
New to PB	X			X	X	
Commitment to PB	X	X	X	X	X	X
Structures in place			X		X	X
Budget identified	X	X				X
Urban		X	X			
Mixed				X	X	X
Rural	X					
Diverse community		X	X			X
Cost efficiencies for the project budget		X	X	X	X	
Ease of access	X	X	X	X		

The evaluation design aimed to engage with a variety of stakeholders within the case study areas as well as with representatives of a broad range of actors to represent the wider context and to offer a uniquely detailed and nuanced insight into PB in Scotland. Going beyond the original evaluation specification the researchers took a staged approach to capture the changing landscape of conceptualising and implementing PB activity. A list of the events, meetings, seminars, conferences, and other engagement opportunities attended or created by the evaluation team is contained at Appendix One.

### **Data Gathering Methods**

A range of data gathering methods were used to capture qualitative data on the experiences and perceptions of the different ‘actors’ engaged in PB in Scotland. Experiences and perceptions gathered ranged from local people attending or participating in PB events, local council officers involved in designing and delivering events and formulating PB processes, and local councillors involved in local and strategic planning of

PB events and longer-term approaches to council finance, and finally in relation to the 1% target Directors of Finance were interviewed.

In Stage one, semi-structured, more formal interviews were conducted with council officers and elected members using 'topic guides' or interview schedules of common questions. More informal conversations recorded as fieldnotes were conducted with participants and observers at PB events. In Stage 2, further topic guides were prepared for follow-up interviews with council officers and elected members, and for focus groups and interviews with community members. An online questionnaire and a learning set approach were also developed at this stage. In Stage 3, a further set of questions were produced as interview schedules for the exploration of attitudes to the 1% target with council officers and representatives. Separate topic guides were formulated for interviews with third party organisations in the different stages.

Institutional interviews in all stages lasted between one and one and half hours representing a significant time commitment from council and other organisational participants. Mindful of these time commitments and the constraints on local community members, the evaluation team selected contact forms to identify candidates for follow-up telephone or focus group participants. Members of the evaluation team also attended PB working group meetings in two case study areas as observers. These meetings provided further background to the planning and policy contexts of PB activity in these case study areas and helped identify PB events to attend, and potential interview candidates from the local authorities and other partner organisations.

Table 3 below summarises the evaluation activity across the three stages. These stages overlapped, particularly in 2016-2017 when interviews, attendance at events, and desk-based research were ongoing simultaneously. A more detailed description of each stage is provided on page 21 and in Appendix 1.

**Table 3: Evaluation Activities 2015-2018**

<b>Stage One- Overview of PB practice across local authorities</b>	
2016	20 interviews with council officers and elected members Attendance and observation at 11 local PB events
<b>Stage Two- In-depth Case Studies</b>	
2017	Attendance at 17 PB events across the 6 case study areas to gather primary data Desk analysis of published results from 30 events across 5 local authority areas 5 Interviews with community members 2 Focus Groups Learning Set established 18 Follow-up interviews with council officers and elected members 31 responses to a participant survey
<b>Stage Three- Lessons for Mainstreaming</b>	
2018	Continuation of Learning Set 16 Interviews with council officers and finance departments 4 organisational interviews

### **Stage one**

The first stage of research comprised 20 interviews between 2016-2017 with local authority elected members and officials from 20 councils who were involved in the early implementation of PB through Scottish Government funding, as previously published in the [Interim Report](#). As set out in Table 2 (on page 19), six case studies were then selected on a range of criteria including; experience of PB, urban/rural context, localised allocations for PB funding in place, experienced or novice PB practice. The findings from these interviews, documentary analysis, fieldnotes and observations, participant questionnaires informed the [Interim Report](#) on the evaluation project, published in 2017.

Observation of 11 PB events across Glasgow, Edinburgh, Pan-Ayrshire (North, South and East) and Fife which were recorded in the evaluation fieldnotes along with informal conversations and observations of the PB processes. These processes and events included speed dating, stalls, 'Dragon's Den' style presentations, all-day voting, online voting, and short events with timed voting periods.

### **Stage two**

The second stage of the research was carried out to gain further insight into the implementation and practice of PB within the case studies, with a particular focus on the

experiences of community members. This stage involved a range of activities by the evaluation team including:

- Attendance at 17 PB events across the six case study areas to gather primary data on the design, participation, bidding and award processes.
- Analysis of the results of 30 events from Glasgow, Fife, and the three Pan-Ayrshire councils for financial year 2016/2017, using a combination of data generated from attendance at events and secondary data from local authority websites. This data included summaries of bids proposed and awards made at the events attended by the evaluation team.
- Online questionnaire in 2017 to capture the experiences of those bidding and attending PB events in their local community. Contact forms were distributed among participants at PB events in Glasgow, Fife, Edinburgh, and the Ayrshires. Questionnaires were distributed using contact details and consent forms collected at events and via local authority contacts who had consent from individuals to contact them directly. The total number of questionnaires circulated is unknown due to the distribution via local authority representatives. The exercise generated 31 responses from across the case study areas.
- Using action research methods, a learning set of 5 people was formulated comprising members of community organisations, council officers and representatives from the voluntary sector all involved in various aspects of PB across three of the case study areas. The learning set participants came from different case study areas and met 5 times between August 2017 and June 2018. The learning set used action research methods, with members reflecting on practice in their local area in which they were engaged or which they were observing. As PB activity was already underway in most of the case study areas when the evaluation started, the methods for action research were revised and adapted. The thought had been to recruit community researchers at the start of the process, however because PB activity was underway the format was changed to a learning set approach. Participants reflected on their experiences and perceptions in a series of informal meetings with semi-structured questions used to focus on dialogue and learning about PB activities in order to consider areas for development and change.
- Follow up interim-stage interviews with 18 officers and elected members from three of the case study areas were conducted to capture the learning and change since the stage one interviews.
- 2 focus groups and 5 interviews were held with community members involved in local PB events. These participants were recruited via the contact sheets circulated at the PB events in Glasgow, Fife, and the Ayrshire(s) attended by the evaluation team in the winter/spring of 2017.

## Stage three

The third stage of the evaluation focused on the move towards PB mainstreaming and the implications of the 1% target set by the Scottish Government. In this stage of the evaluation, the learning set continued to meet, reflecting on the ways that PB has been framed, changes that are required, and what it means to 'mainstream'. A supplementary workshop was organised in one of the case study areas not represented in the learning set, designed to generate further insight into the learning and reflections emerging from the action research group. A further 16 interviews were conducted. These included final interviews with council officers previously interviewed from the case study areas, one local authority not involved in stage one, and one interview with a local authority also interviewed in stage one (but not a case study local authority). These interviews also included 3 Directors of Finance and one Budget and Resources Committee Convenor departments to explore the perspectives on the 1% target and the processes that are being established to ensure that it is met.

This activity demonstrates sustained engagement with case study authorities with a range of experiences, in addition to revisiting non-case study authorities, and adding in 'new' councils through overlapping stages of the evaluation. Over almost 3.5 years, this evaluation provides a longitudinal perspective and cumulative appraisal of reflections on developing practice in PB from local authorities, communities and other stakeholders.

Across the different stages there was also a strand in the evaluation that sought to investigate the wider context for PB. Interviews were carried out with representatives from the following organisations: PB Partners, COSLA, Scottish Community Development Centre (SCDC), Coalfields Regeneration Trust, and informal discussions with Glasgow Disability Alliance. In addition, informal conversations and fieldnotes with local actors at PB Scotland Network conferences and events, an Equality and Human Rights Commission conference (February 2017), and COSLA elected members' events in 2017 and 2018, which the evaluation team attended as observers to informally explore and capture the ways in which communities and councils have been supported in carrying out PB activities. Additionally, the team attended a number of events organised by bodies interested in the development and practice of PB. For example: PB Charter, Glasgow Disability Alliance (GDA), Equality and Human Rights Commission, Common Weal, What Works Scotland, PB Network Scotland, and SCDC. These events offered insight into the broader conversations happening around the development and implementation of PB, beyond the local authorities and the specific case studies selected for this evaluation.

This work was supplemented with two events organised by the evaluation team that brought together representatives from organisations involved in PB, beyond the 6 case study areas, to 'sense check' the emerging findings and receive feedback on the interim report. A full list of events attended and organised is contained as Appendix 1 to the interim report.

These activities and research across the three stages and the strand to understand the wider context have generated a rich set of data to inform this evaluation report. The

quotes presented are drawn from the different data gathering methods noted earlier. Contributors have been anonymised to the extent that it is possible to do so by removing place names, local authority areas, organisation names and roles, and using generic titles instead.



## **2. Part Two – Findings from the Evaluation**

### **Introduction**

The findings presented here are an overview and a generalised summary of the evaluation research across Scottish local authority areas. This section is structured in the following way. It begins with an illustration of the 3 T's model utilised in the evaluation and referred to in the introduction which was derived from early research findings and presented in the interim report (published 2017, see section 1.1). It is used throughout the research findings as a way of conceptualising the current implementation of PB activity in Scotland – whether transactional, transferential or, indeed, transformative in the deliberative, decision-making processes of Scotland's communities.

It then goes on to outline defining PB in Scotland, current PB activity as identified by the research team including the drivers for PB, approaches to PB and the models implemented. It explores the rationale for the development of PB across Scottish local authorities including the perceived drivers and context for PB implementation. Part Two then discusses the impact of PB activity in the context of the four central areas of the evaluation: communities; services; local democracy; and tackling inequalities, and then ends with a discussion on moving to the mainstream in the context of the Community Choices 1% Framework Agreement between the Scottish Government and COSLA.

This part of the report provides the main findings from the data generated from the activities presented in Part One, including local authority representatives, PB training providers and community participants using quotes that are representative of the key findings to illustrate and support findings presented. A number of findings of interest are presented in slightly more detail as snapshots of activity that illustrate both specific or more generalised aspects of practice or perception that are relevant to the implementation of PB that were observed by the evaluation team and recorded in interviews or fieldnotes. These snapshots appear in text boxes throughout Part Two.

### **Key Points**

- The evaluation report proposes a 3 T's model (Transaction, Transference and Transformation) to consider PB-related activity in Scotland that reflects the different and potentially overlapping character of different approaches, intentions, and outcomes as Scotland moves towards developing its own model of PB through Community Choices.
- The overall findings reveal enthusiasm for the concept of PB but an under-development of what the concept means.
- There are variations in definition, intent, and implementation of PB.
- The early PB activities generated positive responses from communities, elected members and officers, but also caused significant dissatisfaction, particularly around participation in the design of participatory opportunities.
- There was limited attention paid to the diverse needs across communities.
- This early into the implementation of PB in Scotland, identifiable 'impacts' were limited. There was clearly evidence of significant levels of activity in the case study councils

and increasingly across local authorities, as well as considerable, and often enthusiastic engagement with the concept of PB. Distinguishable impacts in relation to the four central areas of the evaluation (communities, services, local democracy and tackling inequalities) were more limited.

- Analysis and efforts to address persistent structural inequalities, including gender, disability and race appeared to be minimal in the design and delivery of local authority activities.
- There was conflation of gender, race, and disability-based discrimination with poverty and socio-economic inequality.
- There was considerable learning across local authorities and a drive to improve the implementation of participation in local-resource decision making.

## **2.1. The 3 T's model: understanding Participatory Budgeting in Scotland**

### **2.1.1. Introduction**

This section outlines the 3T's model developed from the research findings at the interim stage of this evaluation. The model is used as a framework to evaluate PB activity in Scotland since inception of this research and provides a useful way to understand the PB journey in Scotland towards potentially more transformative PB through the Framework Agreement commitment to have at least 1% of local authority budgets subject to Community Choices budgeting (PB). It also presents definitions of PB used by participants from local authorities and the commonalities and challenges of those definitions in implementing PB. This section of Part Two discusses the policy drivers for PB and the structure and successes of PB events including the challenges identified by local authority representatives and community participants.

### **2.1.2. The 3 T's – Transaction, Transference and Transformation**

At the interim stage of this research the research team developed an analytical model to evaluate PB in Scotland (O'Hagan et al. 2017). This provided a framework of evaluation whereby the 3T's model focused on:

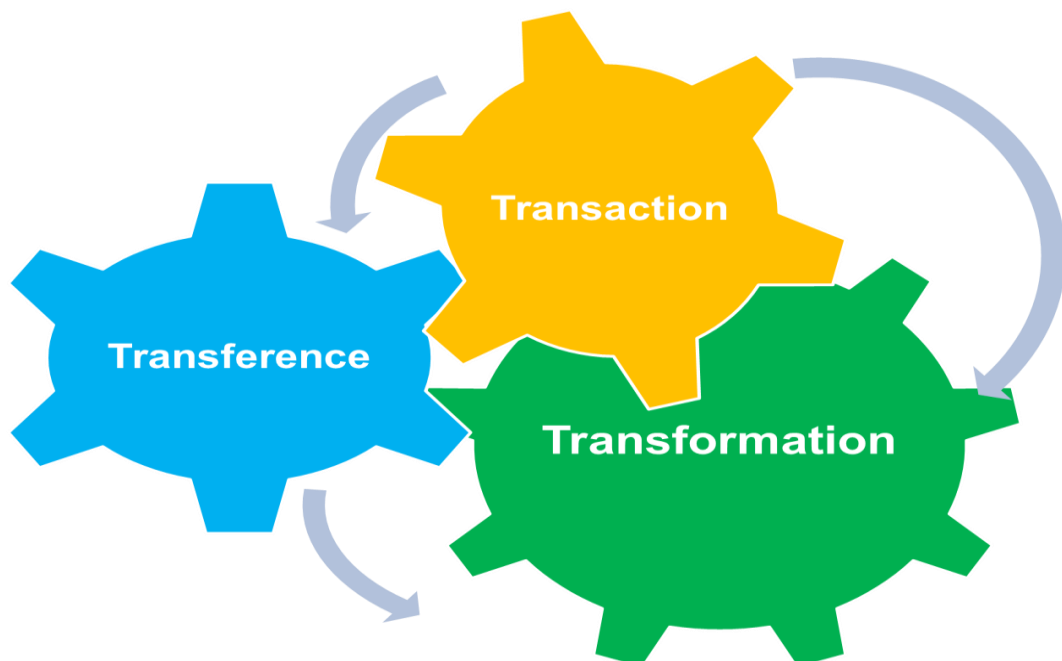
- **Transaction** – where PB arrangements have existed in such a way that communities, for example, 'took part' in a variety of activities by 'applying' for money, attending public voting events and if 'successful' obtained monies often through a small-grant scheme. It is essentially an extension of a funder-beneficiary model. There is, of course, potential for transformation in this relationship by increasing opportunities for participation in the deliberation on processes and procedures, amounts, and priorities shaping local resourcing decisions.
- **Transference** – suggests there is a wider perspective as to the primary aims of PB, for example beyond allocating monies to local communities, but rather shifting the locus and balance of decision making, the authority to set priorities and make decisions, or perhaps the transference of resource from local authority to community management. This might include drawing community members into local governance arrangements

more closely or by encouraging them to take on management responsibilities at a local level.

- **Transformation** – here one might expect to see evidence of more radical change as to how a service or activity might be delivered to the extent that local communities might be actively involved either in participation at different points in the wider decision making or budgetary allocation processes. Transformation suggests a new order of relationship between the local citizen and local authorities, with an altered power dynamic and the status of decision making on locally-identified priorities for action and resource allocation.

This framework was not intended to define PB activity in Scotland, but rather to characterise the different conceptual, intentional, and temporal dimensions of activity over the period under evaluation. Figure 1 below illustrates the dynamic and inter-related nature of these characterisations of practice which are not linear or static, but dynamic and contextual.

**Figure 1: 3T's of PB in Scotland**



## **2.2. Defining PB in Scotland**

### **2.2.1. Introduction**

As already signalled, the variations in how PB is defined across local authorities in Scotland reveals different understandings of the concept and different intentions and expectations of PB as a policy instrument. This section explores these differences and highlights the importance of clarity of understanding and purpose and the potential significance for the adoption and sustainability of PB.

## Key Points

- There are variations in definitions and persistent difficulties with the terminology among officers, councillors, and local people.
- The evaluation shows there is a shared acknowledgement among local authority officers and councillors of public sector reform and community empowerment as among the principal drivers for PB.
- The local context was an important factor in the ways in which local authorities framed a rationale for PB.

### 2.2.2. Operational definitions of PB

The operational definitions in use across local authority areas vary in the wording and focus as the selection from the case study areas reveals and provided the backdrop/context in each area for the evaluation's investigations. For some the emphasis is on events and process, and for others the focus is engagement. The origins of PB in Brazil are often cited, despite the context and character of the original process being very different from the current situation in Scotland.

Similar definitions of PB were evident, strategically, across local authorities in Scotland. For example, to illustrate in Fife and Pan-Ayrshire, PB was defined as:

“local people deciding on how to allocate part of a public budget. It is therefore more than consultation”.

**Fife Council**

“[an] inclusive way for local communities to decide how they want to spend public funds.”

**North Ayrshire Council**

“Initially developed in Brazil, participatory budgeting (PB) is recognised internationally as a way for local people to have a direct say in how, and where, public funds can be used to address local requirements. Different PB models exist, although it normally involves members of the community deciding through a voting process how to spend part of the budget of a public agency such as a local authority.”

**South Ayrshire Council**

Both North and South Ayrshire Councils emphasised the requirement of local people having a local say in the allocation of public funds. Likewise, whilst East Ayrshire focused more on defining the process of PB, the deliberative process involving local people was also evident:

“Participatory Budgeting (PB) gives local people the opportunity to decide where public money is spent in their communities. We work in conjunction with Community Led Action Plan steering groups and other community representatives to arrange, publicise and run events attended by members of the local community, who then vote on which projects should receive an award.”

**East Ayrshire Council**

Evidently, local authorities in Scotland are implementing PB with a strategic view of increasing community engagement in the allocation of public sector funds for local public services. Yet, when asked what PB means at the operational level, officers, community representatives and local councillors provided a wide range of interpretations. For example as one local authority officer explained:

“PB is definitely a tool for community engagement and it builds on the work that we’re doing already. It is about improving local democracy through increasing citizenship and decision making and accountability.” **Local authority officer**

This suggested that there may be a disconnect between the strategic vision of local authorities in the implementation of PB and those enacting PB at a community level. Throughout the evaluation, it was evident that there was some confusion over the term ‘Participatory Budgeting’ with some participants finding the terminology unclear. This largely related to the meaning and accessibility of the term, ordinarily linked to community engagement, as opposed to the deliberative process of involving communities in financial planning. As illustrated in the following quote, by a local Councillor, mixed perceptions and mild resistances to the term existed in some areas:

“If you say that to somebody out in the real world, not in the council, they’ll go, ‘What?’ It’s got two horrible words in it. Participatory – what does that really mean? And budgets – that’s enough to make people run away. We called, well I don’t know what we would call it, a community investment scheme, that would put them off as well. Community investment? What does that mean?”

[Community Choices is what the Scottish Government want you to think about.]

Is that the one? Is that the one they went for? Do you know what, it sounds naff but it’s not as naff as Participatory Budgeting?” **Local Councillor**

Similarly, at the national PB Network conference in December 2018 participants, including community representatives and institutional representatives, still considered the concept and the language around ‘Participatory Budgeting’ to be ambiguous and a barrier to understanding and engagement in PB events and processes. The complexity of terminology appeared to be a challenge, in addition to the lack of strategic consistency and intent, at an operational level. A community participant explained:

“PB [should be explained] in less or non-technical language. It’s about ‘having a say in how money is spent in the local area’. People need to know this can make a difference and it’s not just an event.” **Community participant**

It was evident that during the early stages of the evaluation in 2016, definitions and characterisations were less clearly articulated than in 2018. This suggests that as PB has evolved, so too has the understanding of the characterisation of its principles in Scotland’s local authorities. Early stages of the evaluation indicated inconsistencies in definitions and working terminology persisted, with disparate rationales for local authority engagement in

PB. Notable exceptions included Fife Council, with a commitment in the Fair Fife Commission recommending PB as a tool for community empowerment and setting targets.

Whilst definitions varied at operational level and confusion existed on the terminology of PB, common to all was a clear enthusiasm and commitment from local authorities towards engaging local citizens in a form of PB in the first generation, which will be discussed later in this report. It was evident that as PB definitions evolved, so did PB processes as adoption and implementation progressed into the second generation.

### **2.2.3. Localised rationale for engaging in PB**

In evaluating PB activity and its impact upon communities, services, local democracy and tackling inequalities, it is important to understand the rationale within each local authority in the implementation of PB. Whilst its implementation was varied in terms of timelines, resource and event dynamic, local authority participants consistently confirmed three key legislative and non-legislative drivers for embarking on PB which were:

- Community Empowerment (Scotland) Act 2015;
- Commission on Strengthening Local Democracy (2014);
- Christie Commission (2011).

The policy trajectory of public service reform and the drive to reconfigure the structure and delivery of public services have been highly significant in pushing local authorities and other public authority partners to consider alternative approaches to service delivery and partnership working. Structural reforms such as the introduction of Integrated Joint Boards, Local Outcome Improvement Plans (LOIPs), Community Asset Transfers and Participation Requests, in addition to pre-existing structures of Community Planning Partnerships (CPP) and Health and Social Care Partnerships have all acted both as an impetus for and provided a structure to drive community consultation, participation and decision-making processes.

As an example, revising the local bus timetable and provision in Western Isles was facilitated through the CPP. In Glasgow, the CPP was the principal delivery mechanism in the early period of PB. A complicated and ambitious partnership approach in Aberdeenshire included the Community Health Partnership, NHS Grampian, and a range of voluntary organisations across the area. Evidence of how these structures have been activated and accessed in developing and delivering PB processes is mixed, as is evidence of positive outcomes from partnership approaches. The dovetailing of PB in a context of Community Empowerment was seen by some to be of central importance.

For some local authorities, the initial impetus to engage in PB activity was to access the resources being made available through the Community Choices Fund and its precursor funding streams. The following quote from a local authority officer encapsulates the multiple drivers that overlapped to prompt councils to engage in the idea of PB:

“we thought it would be useful for community engagement and we were aware of the community empowerment legislation although it stopped short of including PB as a methodology... all the events we were going to, to listen to what was being said about community empowerment were talking about PB and saying “this is a good methodology for us to look at improving how we engage with communities and how we enhance local democracy” and all the rest of it. So, that was a big driver, I think. I think there was another one for us in [named authority] which was a service review of grants because the money is dwindling but also there were some very traditional bureaucratic ways of allocating grant funding and so there was quite a big service review that, yes, it was partly about achieving a saving but it was also about how do we do things.”

**Local authority officer**

## **2.3. Early Processes: PB Events and the small grants model**

### **2.3.1. Introduction**

This section of the report presents data on PB events and the model which was utilised by participating local authorities when rolling out PB. In this section, and the others that detail the findings from this extensive evaluation study, a number of quotes have been used to illustrate key points, give voice to participants in the study, and reflect the range and strength of views. Some key points are also illustrated as snapshots that capture specific insights into the processes, activities and outcomes that have characterised PB in Scotland to date.

Findings from the evaluation suggest that whilst there are some variations across PB activity, some comparable designs were evident as local authorities adopted similar approaches to the implementation and delivery of PB.

### **Key Points**

- Officers and elected officials generally recognised and were supportive of the potential of PB in Scotland, but a number of them, and others engaged in PB activity, expressed their concerns about the approaches to some of the activities that were organised, particularly in relation to the extent of community involvement in tight timescales, and practicalities around the timings of events organised as part of the early efforts at implementation.
- The evaluation identified mixed approaches to events-based ‘PB’ activities with some variation and considerable replication of approach across local authorities who had participated in training from the same providers.
- There were mixed responses from community participants to local events and the levels of participation in planning and decision-making locally.
- There is evidence of learning by local authorities on the formulation and management of local PB events, including acknowledging the importance of community involvement in planning events and ensuring longer lead-in times.
- The evidence shows a spread of type of local activity and range of sums requested from small ‘community pots’.

- There is some evidence that PB processes have moved beyond a focus on single-event mechanisms to incorporate development of community-prioritisation approaches.

### **2.3.2. Small grants model**

At the time this evaluation started, 20 of Scotland's 32 local authorities had engaged in PB consultancy provided by PB Partners. The structural approach to the implementation of PB followed a pattern of training for local authority officers with some involvement from Councillors provided by PB Partners who are the training consultants commissioned by the Scottish Government to support the national programme. For the most part, local authorities then followed with a series of public events for local residents organised through variations on local steering groups and working parties to set the structure, voting process, focus and eligibility of the proposals. The format for these local events generally involved variations on a 'market place', 'speed dating' 'Dragon's Den', 'community pot' theme. There were also differing levels of engagement by local people in organising PB events across Scotland, from community-led initiatives to more limited involvement of local residents in quickly-organised events.

There was clearly an increase in the workload of local authority officers, working to build awareness of the new process, engage community organisations in the applications stage, organise events that included elements of local interest and would attract community members along. 'Family fun days', having local bands or other musical and dance entertainment, other local authority and public service information stalls, were among some of the additional activities woven into PB-event programmes. Some of the PB events ran for two hours in the evening, others for four or even up to six hours on a weekend. In some cases where the local authority neighbourhood partnership had included not only Community Choices funding, but broadened out to include social care, mental health, housing revenue funds, or local roads budgets, there were several activities and opportunities for local decision making on priorities and resource allocation, and for local people to become better informed about local services, and other health and wellbeing support.

Secondary outcomes also featured prominently in the feedback at local events. These include the increased knowledge and awareness of other activity locally which many participants had not known until coming together, and the sharing of resources between local groups once contact had been made at local events.

For many community participants, and some council officials and councillors, the initial lead-in times for the first and second round of Community Choices Fund projects were too tight to turnaround and organise events with meaningful community involvement, for example:

"But it was bang, bang, bang, you know, it was just really quite quick but in some respects that made it, you know, I'm not saying difficult but it was just having to work it all out to make sure that we got the project ideas through. But it's also meant that at the other side, the deliverables are already being seen, which I think is very, very positive for the communities."

**Local authority officer**



One participant mentioned that this was particularly challenging given the time of year that funds were awarded and the ability to organise large-scale events:

“From start to finish, it was quite a tight time scale especially with the time of year with Christmas and New Year.”

**Community Organisation Representative, PB Participant**

This meant that the process was slightly rushed for some local authorities to get a steering group together involving the community, put out information and applications and arrange the event.

Others highlighted the intensity of the work required by local officers:

“It has been very labour intensive, doing and chasing. Don’t underestimate how much work and how many offers of help don’t materialise.”

**Local authority officer**

There were identifiable positive experiences for officials drawn into the PB-as-public-engagement activity, as shown in the snapshot below of one example of public service officers being involved as part of expanded community engagement activity at a full-day PB event.

One neighbourhood partnership in a city council had decided to include a range of council services in the PB activity. This included Community Choice funded ‘bids’ for activity by local community groups, a list of identified priorities for repair and maintenance of local housing, and a similar list of potential projects to be funded from the local roads improvement budget. Projects were presented through photographs and maps pinned on a display board. A senior member of the roads department staffed the stall for the full 6 hours of the PB event on a Saturday. As recorded in fieldnotes, at the end of the session, he declared it to have been a very positive experience and “the way ahead” for public service consultation as it was “almost like a surgery” with significant positives in “hearing people’s views and ideas” directly. In addition to the project funding, he had been able to offer advice on a range of council processes and procedures, as well as model back to his team that the kind of community engagement and outreach this represented was what “being a public servant” was about.

### **2.3.3. Trends in PB applications**

In 2016-2017, it was possible to identify trends in the applications made and the funds allocated at PB events in the first generation of PB. Small-grants processes, although managed slightly differently across Scotland do indicate common and shared need and themes such as community-based social care, loneliness and isolation; access to play activities for children, and social recreation for older people, including older ethnic minority people; educational resources in schools; and local heritage activity, from archiving to gala days. There is clearly a breadth and depth to community activity in Scotland, with community groups demonstrating the tenacity of groups and key individuals, strength of

small local areas and groups within them, and motivations of concern, solidarity and wellbeing. There is also the flip side, where strong, well-established groups with more resources, have a louder voice or greater presence than newer groups, or groups without the same public appeal or support. Additionally, the low participation of groups led by ethnic minority and disabled people was apparent in all areas.

There were multiple examples where local community activism had stepped in as a result of the withdrawal of local services, previously funded by the council. One such example was in a small, semi-rural town, where parents had organised and were seeking PB funding to provide a primary-school breakfast club following a decision by the same local authority education committee to withdraw funding for such provision. This use of PB resources illustrates a structural problem in local authority finances, that there are either insufficient funds or that decision-making processes do not reflect local need or circumstances.

Elsewhere there were examples of services or resources that had been withdrawn including: breakfast clubs; sessional respite, as well as an example of a PB request for capital expenditure to repair the heating system in a community resource building recently acquired from the council through community buy-out. In other words, the council resource had been transferred to the community organisation which did not have the necessary level of resource to sustain the building maintenance needs. These are among examples that reveal how local authority resources are being transferred across budget lines and departmental spend.

These examples highlight significant structural weaknesses in a circular flow of how the responsibility for buildings (or services) is being transferred to the community, or even other council budgets, without the necessary resources to sustain the transfer. In these instances, there is some transference of responsibility in maintaining community centres, for example – but without transference of sustainable resources. These examples give rise to cynicism among local residents, councillors and officers, as encapsulated by one councillor who considered PB to be:

“a good escape clause for a local government officer as budgets reduce...pass the responsibility over to the community.” **Local Councillor**

Drawing on the range of observational data and fieldnotes gathered at events attended by the evaluation team and information available on line that reported the awards for each event. Table 4 provides a snapshot of indicative activity based on 30 events from across Glasgow, Fife, North Ayrshire, East Ayrshire<sup>8</sup> and South Ayrshire<sup>9</sup> for the financial year 2016/2017.

---

<sup>8</sup> <https://www.east-ayrshire.gov.uk/CouncilAndGovernment/About-the-Council/Grants-and-funding/Participatory-Budgeting.aspx>

<sup>9</sup> <https://www.south-ayrshire.gov.uk/locality-planning/participatory-budgeting.aspx>

**Table 4: Participatory Budgeting Events and Grant Awards**

Parent Councils	£1,100 to host a pre-exam event to help reduce stress and anxiety prior to exam time.
Early years	£2,274 to purchase 6x I-pad minis with educational attachments to enhance learning experiences for pupils across the school. £1,000 to develop outdoor learning for young children, developing creativity and curiosity.
Youth projects	£2,185 funding for play and learning equipment for the play club. £1,585 to work with young people to produce a radio play for the March broadcast on youth-led radio station. Funding would be used for drama tutors, venue hire, radio tutor/editor and materials.
Support for older people	£750 to provide an open day and a member's event to promote the activities of the group and widen membership of people aged 65 years and up.
Primary Schools	£4,982 funding requested to purchase updated and improved ICT and audio visual equipment to enhance learning and development, social inclusion, health and wellbeing over and above that already provided. £600 to purchase children's fleeces to support outdoor learning activities.
Secondary Schools	£1,640 to install 50 lockers in the school for senior pupils. £400 homework diaries.
Community Trusts	£1,000 to carry on annual fireworks display to unite and enrich remote communities. £960 to purchase wood to build raised beds and labour costs to teach the volunteers how to build the beds to expand the amount of food that the community gardeners can grow.
Heritage Organisation	£550 for digitisation of society records to allow greater access to this resource and may promote visitors to the museum to view documents and other artefacts to bring an economic boost to the town. £2,135 funding requested to enable the purchase of banners and leaflets to promote events; materials for practical activities; voice recorders to collect oral history contributions; and to cover the costs of venues.
National Charity	£3,000 funding requested towards education and employment programmes through which small grants would be awarded to asylum seekers and refugees to facilitate entry to training, education or work places.

This data, primarily relating to successful bids, is indicative of the general trend across case study areas for small-scale grants at this stage of the PB development. At two events higher limits were in place and projects could bid for up to £10,000. In other places it was more common to have limits of between £500 and £1,000. Some events included a tiered system with different limits, for example up to £1,000, between £1,000-£5,000 and over £10,000 (Ayr North, 2016). Table 5 below summarises the value of bids proposed for project funding, extracting the minimum and average bids and the average/majority value of bids.

**Table 5: Indicative Award Amounts**

Minimum amount awarded	£56
Maximum amount awarded	£10,000
Average amount awarded	£1,312
Majority of bids	£1,000

Table 5 highlights the significant range in awards made. Awards as low as £56 raise questions about the cost effectiveness of the process for the applicant and the council. It also raises questions about the intention of the process and the ethics of this level of process for such small amounts of money. Does it encourage community engagement, or increase stress levels for the individuals involved? A number of respondents commented on the nervousness and anxiety they experienced or observed in others participating in open competitions with a prepared pitch to be delivered to a public audience. These tensions are highlighted in the later section on impacts on communities.

There was considerable evidence that PB events enabled local groups to meet, often for the first time, and as this summary of observed activity reveals in the snapshot below, many small, local organisations used the opportunity to build new relationships and capacity.

Across the events observed, there are multiple examples of local organisations - many with very limited resources - making contact with other groups. This often sparked conversations leading to resource exchanges, for example from passing on quality curtains unused by one group but meeting the needs of another, to agreeing to work up a joint bid for sharing a sessional worker and crafting resources between women's groups in different wards. In some cases, larger groups asked for the bids to be reduced to ensure a share for all from the available pot, or for their award to be reduced so that another group could have more as their options for funding were more limited. In one small town, the importance of ensuring funding for local gala costumes was prized by other 'competitors' on the basis that the specific local area had very limited resources and the difference to that small community would also make a positive difference to the whole town.

It was evident that there was variation in the organisations and community groups bidding for PB funds and part of the process in developing the event was to reach out to groups ordinarily not represented within communities. More recent activity by Dundee City Council, not engaged in the early rounds of Community Choices, invested in officer time and digital resources to be out and about in communities, informing people about PB activities and what that means for local communities. Officer time spent on community engagement to reach across communities did feature in interviews, with a number of officers emphasising the efforts made.

#### **2.3.4. Grant giving and ‘fairness’**

In addition to some of the grants awarded there were a number of cases of ‘runner up’ projects that were awarded less than the sum that had been originally requested, for example the list of awards for one area notes: ‘remaining balance was split between 6 unsuccessful projects’. In one case a local authority added funds when there were equal votes for two projects. There were cases where funds were allocated to projects in ways which did not correspond to how votes were cast. This meant that most groups attending PB events were awarded some funds thereby rewarding their contribution to the PB event. Though this also highlights the extent to which the PB processes were viewed as grant giving, hence as a transactional agreement. The allocated budget was viewed not as a sum total to be prioritised depending on voting, deliberation and prioritisation, but, in a way, more aligned with how community grants are dispersed through the established funding processes to engage communities. A number of focus group participants noted that it was ‘fairer’ when all groups were able to leave the event with some money. Concerns raised around ‘fairness’ of processes was an often-repeated formulation in many fieldwork interactions, relating to application processes; eligibility criteria; selection processes and decision making. From the evaluation survey, one respondent noted that although it was fair it might have been better if the money had been divided more evenly:

“I thought it was fair, although many projects seemed to ask for maximum funding, if more groups had asked for less than maximum then more of the projects would have received something.”

**Community representative**

This view was expressed by other community research participants at the events they had attended – that the money could have been split equally between the projects.

These views suggest some weaknesses in the grant-giving model including levels of understanding of the processes and principles, clarity of explanation, time spent with communities building knowledge and confidence. This is a risk noted by Harkins and Escobar whereby ‘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’ (2015, 34). Many of these issues have been identified by local authorities over the period from 2015 and have informed their developing practice.

### **2.3.5. PB as a transactional process**

PB in Scotland is still in its infancy as both a policy instrument and as a device for increasing and improving the nature and quality of community empowerment and involvement (Escobar et al 2018). On the basis that a process 'has to start somewhere', the most common approach adopted by local authorities has been to utilise, and in some cases, adapt existing transactional processes of local, small-scale grant making, for example:

“So, small grants was the model that had been developed in the UK, in England. ... so, we always had this debate about how you built trust and through the small grants could you build awareness and trust in PB and then evolve it into the mainstream? There was always a debate as to whether that was a mistake in a sense because if you're not careful you can get PB defined as small grant-making. And that's a challenge to it. And I know that some of the [named authorities] are now wrestling how they reframe PB in a mainstream manner because grant-making has become the model that has been sold.”

**PB Expert**

The small-grant model was the dominant mode from 2015-2018, and has taken different formats and yielded various outcomes in terms of the numbers of individuals reached, amounts of money disbursed, and engagement events held to administer and expedite the process. The extent to which this activity has been a straightforward process of transaction between the local authority and beneficiaries raises questions about the nature of participation, sustainability of the process and more fundamentally the extent to which these activities and their underlying intent have resulted in change or transformation.

Over the period of the evaluation with interviews commencing in 2016 and running until 2018, there are different and evolving perceptions of what constitutes PB. Some of these more critical perceptions dissipated over time, shifting from this fairly typical observation from a council officer in 2016, that PB (however defined) is a process:

“All they've done so far with PB is just award these small grants. I would argue, in terms of the essence, the purity of PB it's not PB, that's just small grant making. But, like, community engagement it's a process and you need to go through particular steps so this is an initial successful first step that's been had.”

**Local authority officer**

Comparable comments were voiced on multiple occasions by community members and council officers and elected members throughout the evaluation process, with varying degrees of criticism, complaint, frustration and positivity, as reflected throughout this report. Often these comments were qualified with the acknowledgement that the process had to start somewhere and that small grants for community-based activity was a process that was known to local residents and could be transformed into a more participatory process.

The provision of small grants is a clear ‘transaction’ between the grant-giving authority and the applicants. ‘Transference’ is concerned with the transfer of power and/or resources from or between local authorities and local people, and transformation relates to the character of the relationship between citizens and governing authorities. These analytically useful concepts have particular relevance to the generational development from the small-grants process that dominated the early years of the evaluation as discussed in the following section.

The nature and extent of deliberative activity observed varied considerably: from the community action planning approach of Coalfields Regeneration Trust and some localised activity by councils, to local authorities establishing local working groups to plan events; to the more limited activity of neighbourhood partnerships – or local equivalents – led by elected members making decisions on the amount of the ‘pot’ and the format of events and processes. In part, these differences can be explained by the choice of local authorities, or the guidance offered in the training sessions to local councils, towards using existing small grant giving processes already in place, as exemplified by this council officer:

“That’s already in process in terms of the small grants so we didn’t want to duplicate what they were doing. I suppose we could have added it to the forum pot but what the elected members were saying is they wanted to... part of this exercise was also about getting as wide a base of participation as possible.” **Local authority officer**

As this participant explained the purpose of this approach was to ensure extensive engagement with communities, rather than establish a process for resource transfer. At PB events, the range of deliberative opportunities at PB events varied. These included full-day or half-day events with local people coming and going to vote over the course of several hours, sometimes including elements of advance on-line voting, sometimes including locally sourced entertainment, maybe with stalls or ‘market-place’ type presentations fronted by the ‘bidding’ organisations. Less open events comprised shorter sessions, with more contained presentations and voting processes including ‘speed-dating’ or ‘Dragon’s Den’ style quick-fire presentations and voting/ranking.

In brief, opportunities for community-led decision making on amounts of money available and the selection or eligibility criteria have varied considerably. Deciding on whether to resource a local knitting group for under £100 is representative of some of the very small scale grants available. Engaging different members of the public in the procurement of local bus services is at the other end of this spectrum of participation and deliberation. The latter has considerably more potential to transfer decision-making power and to involve local people in resource allocation and service design.

The way in which communities are constituted for the purposes of PB activities, processes so far in Scotland, have largely focused on geographic or territorial communities; this raises issues about where communities of interest are able to participate. Whilst the two types of communities do not need to be exclusive, there are always equalities dimensions that require to be assessed and integrated into formulating PB activity, as discussed in

more detail in later sections. Nevertheless, it was understood that there should be a locality benefit (however defined) – i.e. national bodies applying locally with little or no reference to how a local community would be served were seen as gaming the system in some way.

### **2.3.6. Tensions resulting from PB process**

The small grants processes used by many local authorities, as a key element in their approach to PB, necessitated a competitive aspect in the form of public voting events which were viewed by some as being divisive for communities. One interviewee who was involved in applying to multiple PB events stated:

“well I hate them because it is gladiatorial.”

**Community organisation lead officer**

The competitive nature of the events meant that there were questions raised regarding the ‘fairness’ of the voting process. Some of those involved highlighted concerns about audience bias and lack of balance among the attendees at local events. For example:

“I don't agree with bringing in large audiences for school performers which in turn then become voters - we didn't have supporters there and didn't realise it is a popularity contest. Pretty unfair unless you had a large load of supporters with you.”

**Local resident / community participant**

Interestingly in addressing this point directly one council official, applauded groups bringing supporters to such voting events as this was seen to demonstrate commitment to the project, and advocated that other projects should do the same next time:

“Everyone who attended had some vested interest in attending, either they were a member of a group applying for funding or they were the friend of one. I don't think it brought people who didn't know about these groups out to learn about what was going on in their area. However, the money that has been given I imagine has had a positive effect on people getting involved.”

**Local resident / community participant**

These concerns about fairness recurred in many conversations with community organisations and individuals in a range of contexts relating to different elements of the PB process. In relation to the small grants process, there were mixed views on the PB events and community participation. Whilst community PB events were largely met enthusiastically by community participants, some considered the competitive nature of the process to be unfair, from the “sharp middle-class elbows” highlighted by one community representative.

One participant felt that it can create competition amongst communities which goes against the ethos of inclusion and community engagement. This participant considered that as a consequence they felt that they would not get involved again because of the potential divisive nature.



Others found the process fair:

“I found the process to be fairer than conventional funding applications – even though the application had to be just as precise and well thought out.”

**Community organisation representative / PB participant**

The remainder of Part Two discusses the evaluation findings in the context of the four central areas of: impacts on communities; impacts on services; impacts on local democracy; and tackling inequalities, and also discusses moving to the mainstream in the context of the Community Choices 1% Framework Agreement between the Scottish Government and COSLA.

## **2.4. Impacts on Communities**

### **2.4.1. Introduction**

The section outlines the differing perspectives on the impact of PB activity to date on local communities. The findings reported here were generated by interviews and questionnaires conducted at PB events, focus groups and the learning set. The majority of these individuals were involved in organisations bidding for PB funds. Within this context there were significant differences in organisational scale (and by implication in their ability and capacity to respond to PB demands), including for example Parent Teacher Associations; large community-development organisations and smaller-scale theme-specific groups.

### **Key Points**

- PB has been carried out within the context of scarce resources at all levels: council; community; individual organisations; and households which has had an impact on the perception of PB at community level in relation to how it differs from small grant funding for community-led projects, and how PB can scale up to be the decision making process for more substantial council service budgets.
- PB in the form of small grants can create tensions within communities given the competitive nature of the process and this has led to questions of fairness and transparency.
- Perceptions of the participatory aspects of PB varied, depending on the process used. Some valued the opportunity to be involved in local decision making at voting events, however, others felt excluded from processes.
- PB events have brought communities together, raising the visibility of previously unknown organisations and creating networking opportunities.
- Whilst there are examples of previously overlooked or isolated community organisation, there has been persistent exclusion of individual disabled people and individuals not engaged in local disability or disabled people’s organisations, or ethnic minority organisations.
- The use of locality planning mechanisms became more prevalent over the evaluation period but did vary nationally, and in the extent to which PB activity aligned with community-based locality planning.

## 2.4.2. PB as community networking

A key positive outcome highlighted by many of those community organisations involved in bidding for PB funding was the chance to network and build relationships across the community at voting events, when many of these were in the same space:

“The process involved many organisations meeting in one area and in addition to the funding achieved, relationships were forged and additional support offered to each other.”

**Local resident / community participant**

“It made such a difference as I saw a community coming together. Following the presentations, I saw a lot of networking being done. People giving other people information about what they could do for them. It was lovely to see.”

**Local resident / community participant**

“... the PB turned into a much bigger thing and we linked up with different wee groups like [named project organisation] ... that we hope we’re going to invite them down, an ideal partner for us for community gathering so yes, it’s a full on asset.”

**Local community organisation lead officer**

A number of officers, as illustrated below, commented specifically on having the time, particularly where events were organised around market-stall formats to talk directly both to members of the community and other groups:

“We explained on the day when people were asking us ... and their questions were always different ... and I love that because you really get passionate about what you’re doing.”

**Local community organisation lead officer**

In some cases this led to further collaborative work and improved understanding of the services available in the local area. This same individual outlined a number of outreach initiatives her organisation had begun as a direct result of attending PB events:

“to me that is what PB is about. It’s using the resources with experience, and helping others that maybe just aren’t quite at that stage, and getting that wee bit of money that allows us to do that, and then they can see how it’s done.”

**Local community organisation lead officer**

However, as PB activity was largely based on a pre-existing small-grants model, change to that established pattern of funding local community based organisations was not universally popular as it disrupted existing relationships, as this local authority official observed:

“I think, if I’m being honest, in terms of some of the challenges ...for established projects there has been some reticence in some parts and because they traditionally had routes into funding streams. There is evidence of a sense of reticence in their part in going down this [route] because then it opens up the decision-making to a much

broader constituent... There's been incidents from the community themselves, and this will come as no surprise to you, [from] those who have traditionally been part of that decision-making process, to then open it out to a wider constituent to make those decisions.”

**Local authority officer**

### **2.4.3. Extent of participation**

The focus of attention for many of those involved in PB at a community level was upon the voting event. For some this was the first interaction with the PB process, and in cases where people had been involved in steering committees it was viewed as the product or end point of their work.

Some were satisfied with participation at the level of voting at events and felt it was a positive and empowering process to give some decision-making power to the local community:

“The Community decided what they felt was important to them and not an anonymous committee looking at deprivation figures and areas of underfunding. It was specific to the needs of our own community.”

**Local resident / community participant**

“I think it has made a big difference and the process empowers people to feel they have a say in what groups are supported financially in the local community.”

**Local resident / community participant**

“I think it is a fairer system ... The community as a whole has a large part in the decision making ... gives power back to the communities.”

**Local resident / community participant**

For others, drawing communities into the PB (voting) process at a relatively late stage undermined the positive benefits and lasting sense of community empowerment:

“We had a fun day...Yes, we did our voting and had a nice lunch and all that. I'm not sure how much people felt in control of what was going on there. They were just actually invited to a [named] Council thing where they could get money rather than PB really being communities saying we've got this money guys, what are we going to do with it? There was not a feeling of that. I think is really what PB's about isn't it? That people actually feeling that they have control. That particular exercise from my personal point of view didn't give them that.”

**Community development worker**

A number of respondents viewed PB beyond the voting event and sought more participation in priority setting and process design. They raised concerns in relation to lack of transparency and a perception that the community had been excluded from more fundamental elements of PB decision making. This specifically related to a number of the on-the-ground aspects of the process, which for many was where they experienced PB most directly. For example, some local areas had established steering groups to determine local priorities but their composition and method of formation was seen to have been an opaque process.

In addition, the determination of the (applicant and other) eligibility criteria as well as the associated filtering (out) processes drew one interviewee to note:

“We still don’t know who it was that did the screening. So, if it’s supposed to be participatory budgeting, who participated in the screening out?”

**Community organisation lead officer**

This same individual had asked, on behalf of her organisation, for details on the criteria used for the screening of applications - the precise definition of the application and bidding mechanism(s) and processes including time scales - but did not receive them.

One project manager noted:

“The council organise it; there’s no community involvement at all.”

**Community organisation lead officer**

Some community-based interviewees also felt excluded from participation in defining the detail for a range of other elements of the applications processes and mechanisms. While the efforts and time commitment of many local authority officers is recognised and appreciated, there is clearly an imbalance between paid work by council officers and the time commitment implicit and explicitly required of local community members. These tensions resulted in multiple comments in the evaluation in relation to voting-day formats; most appropriate days / timings of events; approaches to voting; format of presentations; mechanisms for choosing ‘on the day’ etc.. At worst, these critical comments reflected local frustrations at perceptions that the format of events had been selected to meet the needs of the local authority (administrators) rather than of the local community. As one critical participant noted:

“Why a Saturday? That’s the first question; why a Saturday? ... council officials ... claim back their time, notice, and it allows them to still attend their work through the week. It doesn’t matter about Joe Bloggs if you only get that one Saturday off that month. There’s ... no consideration for other people’s needs.”

**Community organisation lead officer**

There are clearly tensions between finding a balance in requesting and supporting community engagement and building the transformation to community participation. The most critical comments, such as the perspective offered below, reveal significant lessons to be integrated into future developments of PB, and which also informed repeat rounds of PB grants events:

“The worst thing about the participatory budgeting wasn’t making the applications, or forming the applications and putting it in; it was that day at the Civic Centre was horrible. And the way people were spoken to when they went in, rude. And I don’t think the people who were doing the greeting realised how they were coming across to vulnerable people.”

**Community organisation lead officer**

It should be noted that within the evaluation's learning set the council officers conceded that there has been a lack of transparency in some of the approaches and partly this was understood as a product of the lack of clarity about the purpose of PB. One posed the rhetorical question:

“is this engagement or way of getting people to participate right for this community, whether it's geographically or community interest, is it something that's going to mean something to them?”

**Local authority officer**

There has clearly been significant effort on the part of local authority officers not only to establish more participative processes, but to learn from the early attempts and to expand community involvement. In addition to the direct activity of local authorities, the methods and approach of the Coalfields Regeneration Trust highlights the significance of slower-paced, up-close support to communities to engage in identifying local needs and set priorities. This approach seems to have resulted in a more deliberative process, through community action planning, to agree local issues and preferences that are then put to the vote at later PB events.

There was some evidence of a more transformational participatory approach – even where concession was made to the agenda being overlain by cost-cutting concerns. In one notable example a community organisation lead officer noted that after a range of missteps and poorly-organised PB voting events which lacked transparency, and raised considerable concerns about fairness, she was now directly and actively engaged (both informally and formally) by the local authority around locality-based action planning as the basis for future PB activities. This individual was particularly complimentary about the Authority's willingness to learn from these mistakes. However, it was equally clear she maintained her caution about this – where localities had been given more decision-making power she was concerned they then might be held responsible:

“this is what the local council is asking you because our budgets are cut, what do you prioritise that you want to focus on being done? Lighting, pathways, trees?” because then they can turn round and say “well actually the community voted for that...”

So it is progress but I think giving everybody a say in how the budget should be spent, I don't think people have got enough experience on that, and they could be very easily led down the garden path to make a decision on something, not realising that that's implemented and it reflects on their decision. I think there has to be a wee bit more work and explanations...”

**Community organisation lead officer**

The active engagement with communities frequently drew enthusiastic observations from officers and elected members. The extended insight from the snapshot below illustrates the growing enthusiasm for increased community engagement that was evidenced in the first round of interviews, and that has expanded over the years of the evaluation. This perspective reveals a disposition among (some) elected members of the potential improvements not only in community engagement, but the potential benefits for enhanced

service design through supporting and investing in community participation and deliberation.

Across local authorities, officers and elected members are building up the level of outreach and communication activity about council services and activities, using PB or locally-named versions of Community Choices as the catalyst, as well as promoting PB activities specifically. This enthusiastic councillor is one example of many who are committed to opening up dialogue and improve engagement with local communities:

“The next thing we’re doing, well, we’ve started, all the galas... we’re having council stalls. Now we’re varying in services so what do you think... we’ll not get it right every time, but for example we’re going to have somebody there from housing, somebody there from rent, somebody there from procurement to help local business and things like this, because what we’ve discovered is in the last year people come and talk to you at a social event; they won’t come into official buildings, so we want to build on that. So we’ve already got those plans for the main events...we’re making sure we’re having one in every centre, just to engage with the public and we will give out feedback forms or they can do it online, or they can just talk to the officers.”

Naming and branding local PB processes has in some areas been part of the process of building community engagement in formulating local PB events and voting formats. Unsurprisingly the names have reflected the two key elements of local PB events, the place name and money, e.g. Leith Decides, Grab A Grand, Let’s Hear You ...Parkhead, South Central Decides. Voice Your Choice!, Canny wi’ Cash, Oor Bit Cowdenbeath, Community Gains Glenrothes, and many more.

The range of events-based activity is captured on the PB Scotland portal which provides an information exchange and supports the energy and enthusiasm for local events and community engagement at: <https://pbscotland.scot>.

#### **2.4.4. PB in the context of budgetary constraints**

As already established, participation in the small-grants events was for many local organisations simply a means of accessing resources from the local authority. As resources have become reduced or have been withdrawn, the Community Choices Fund and local PB processes were a means to secure some minimal funds for small-scale activities, some of which had previously been core funded within the organisation, for example in educational provision, as reflected in the quote below from one local authority area:

“this was to supply them with individual homework diaries. The thinking behind that was we used to provide homework diaries for our pupils. And we used to be able to do it out of our per capita allowance but straitened financial times that’s one of the cuts we had to make. It was a luxury that we couldn’t afford anymore.”

**Secondary School Head teacher, PB participant**

“I was also a bit surprised to see that some schools were participating and looking for funding for computers. Now, I would have thought that computer equipment would be core funded out of the education budget. But, it seems to me, the council are permitting that sort of thing to happen as a cop-out because of cuts in budgeting.”

**Local resident / community participant**

Whilst individuals from community organisations recognised the benefits of increased engagement with the council and the involvement of local residents it was clear that the core focus was to win funding rather than create more fundamental change, as evidenced in the following quotes from community members:

“I do think it has made a difference in getting people involved in an event but the common purpose is to get funding.”

**Community organisation representative, PB participant**

However, for community-based organisations stretched to capacity the processes around the PB events and bidding for projects became an additional pressure:

“I think from my perspective and our perspective, community budgeting is just the bane of my life because they expect me to apply for sums of £2,000 and the hoops you’ve got to go through to do that – because my job is managing the project. I’ve just cleaned the toilets this morning because we can’t afford a cleaner.”

**Community organisation lead officer**

In this particular instance the individual reported that her colleague had refused to be involved in any future PB processes partly because the perception of the disproportionate amount of time needed for what was seen to be relatively small amounts of money. It was not uncommon for those with negative experiences of PB to articulate this in terms of an additional burden placed on their shoulders. In one case an advocacy organisation had helped projects targeted at particularly vulnerable populations, with low capacity, to apply

for funding and when successful found itself having to manage the budget for the groups; this had never been its expectation hence the view expressed here was that:

“technically they’re costing us money because our bookkeeper [now] has to keep track of another three funding streams.” **Community organisation lead officer**

#### **2.4.5. Deliberation, participation and cultural change**

PB is an instrument of deliberative and participatory democracy, and for many this is where the ‘transformative’ potential and power of PB lies. It is premised on the direct engagement of local people in making decisions that affect local needs and services. From the findings on the impacts on the four areas of the evaluation, there are aspects of current practice around PB that require significant improvement if the participatory intent and transformative potential are to be realised.

Communities still need to trust that local authorities and other public sector bodies are genuinely interested and will be responsive to the expression of their priorities and perspectives. Improving the clarity of the purpose and process is essential, as is clarity of distinguishing between small grants for locally-led and delivered activity and the upscaling to direct participation in allocation processes to significant sums from mainstream budgets. The framing of PB by some as being more about the ‘P’ than the ‘B’ obscures the core proposition of the 2017 Framework Agreement between the Scottish Government and COSLA and the commitment to shift from small grants to engagement in allocating significant sums of money.

A final element for improvement of the quality of deliberation and participation is the need for internal culture change among local authority and public sector bodies. As part of the public service reform agenda (for example from the Christie Commission), PB and the extension into mainstreaming will require a substantive shift in attitude and practice amongst officials, as well as a different attitude from senior management, as the quotes below reveal:

“It’s quite challenging I suppose even internally because the types of services you’re talking about, councils, community services for example will be mainly dominated by men that feel they’re professionally qualified in something that they’ve been doing for 30 years, and how could communities possibly know how to prioritise that better than them? So there’s that kind of cultural resistance within services to get over. So that will be quite interesting to watch that happen.” **Local authority officer**

Reflecting on the challenges of cultural change, these local authority officers and elected members highlight the need to dismantle established ways of working that can form resistances to change, and specifically further engagement with local people:

“they’re [council officers] not used to a way of engaging the public on this, and if we’re really honest we’d say some of the political parties are not used to doing it to the same



extent as they should be either. Although some of us are enthusiastic about it. Some of us are more comfortable and confident, but in another environment, we're challenged to explain what we do. I think a lot of it could be around culture, how do you train people to be able to engage?"

**Local Councillor**

The following quote from a community development worker emphasises the general point about how different organisational perspectives also reveal approaches to community engagement and development work, raising questions relevant to partnership working as well as working with communities:

"there can be maybe a touch of ideology of superiority with the council workers. That they know best and a lack of trust that people who live in a community can actually have maybe even a better understanding of what they need than what the professionals think that they need. I think it is... it's how do you make that shift. It comes down to respect and care for the community doesn't it? To a level where you will actually... people will actually listen, genuinely listen to what people are saying, rather than just sitting in a room waiting for an opportunity to speak. I think change can happen at that level. I think the responses from the community... I think they will respond quite quickly in a very kind of meaningful way. As long as people feel as though there's a lack of trust... there's always going to be the kind of us and them thing. You need to blur that edge between the workers and the people who live in a community and it needs to be much more a soft edge between the two."

**Community development worker**

#### **2.4.6. Involving excluded and marginalised community groups**

There was evidence that the particular processes that constituted the PB approach had enabled greater engagement with some marginalised groups, although they seemed to be limited. However, the findings from the evaluation, and the additional research conducted by GDA have highlighted<sup>10</sup> significant weaknesses in how equalities issues have been understood and operationalised at the local level. The absence of disabled people, and black and ethnic minority people was a stark reality in the observed PB activity across Scotland. While there was no deliberate intention to exclude, for many local authorities the approach to securing equality of participation lacked a conceptual understanding and necessary resource commitment. Tackling poverty and health and economic inequalities are a core focus of many Scottish Government policies and local authority activities and partnership approaches. These socio-economic inequalities are exacerbated by the gendered dimensions of participation, representation, and economic status. Disabled people experience more isolation than non-disabled members of the community, compounded by the gendered and racialised dimensions of inequality that they might additionally experience.

One advocacy officer working with disabled people drew particular attention to how the application / bidding process had helped to enhance individuals' (i.e. potential project

---

<sup>10</sup> <http://gda.scot/content/publications/Final-GDA-BudgetingforEquality.pdf>

beneficiaries) literacy skills and similarly helped to develop presentational skills (in one case making videos for use on the day rather than standing up individually) and budgeting skills:

“it’s paying dividends with the raised levels of confidence in the group.”

**Community organisation lead officer**

This was not a universal feature however as she also reported that some had been overwhelmed in the (voting-event) venue:

“And you couldn’t get moving. And for people with mental ill health ... we sat at the back as far as we could out of the road.”

**Community organisation lead officer**

The evaluation evidence suggests that the PSED and the more recent Fairer Scotland Duty, introduced in the Child Poverty (Scotland) Act 2017 which came into effect in 2018 have not been drawn on as levers for supporting PB in Scotland. The Fairer Scotland Duty, Part 1 of the Equality Act 2010, “places a legal responsibility on particular public bodies in Scotland to actively consider ('pay due regard' to) how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions” (Scottish Government, 2018).

The perception of the PSED as a compliance measure, rather than a strategic and enabling platform for developing more equality-aware and community-oriented practice is a missed opportunity. While the requirements to conduct equality impact assessments, to consult with communities, and identify and aim to eliminate or at least mitigate inequalities all reinforce the intentions and objectives of PB, these powerful legal requirements and enabling policy instruments appear to have been under-utilised in the development of PB. There were however, individuals within the local authority sector who recognised the need for a more strategic way of operating the Duty:

“Do you know what, I think probably some people might just see it as a compliance headache because the challenge of the public sector equality duties, since it’s been introduced and since the Equality Act 2010 was [introduced], yet again we use the wonderful term mainstreaming. For me we need to have an agreement [that] by that word we mean a way in which we work. If we want to talk about equality and diversity it’s the chief executive down to the person closing the building at night, or looking after the building at night. We all do it because we have to interact with people every day, we have to consider what those needs are, we need to make ourselves accessible to them.”

**Local authority representative**

There are conceptual challenges within the wider variations in understanding of the application of engagement, empowerment, inclusion, and participation. In part this is due to a lack of coherence and understanding of the concepts of equality, and the intersections of individual characteristics and the structural constraints that arise. These terms are often used interchangeably, and often applied to PB when in effect the activity around PB is

limited to a community engagement opportunity rather than a decision-making, and thereby transformational activity.

### **2.4.7. Building community capacity: achieving transformational change**

What was universally agreed throughout the evaluation process was the need for greater levels of community capacity building across processes and organisations – local authorities and community organisations, not simply for those who are vulnerable or marginalised. There was a perceived need to build this capacity for individuals to understand how locality budgets are (currently) organised and decided upon through to substantive support for organisations running complex projects from a range of funding streams.

There was a recognition by some within the delivery bodies that with the introduction of PB approaches:

“nothing else has come alongside ... to support communities on the ground.”

**Council partnership officer**

By extension this individual noted:

“the people in communities who are gaining from PB ... at the moment are the ones who are already empowered, the ones who understand the system, the ones who have been able to read into PB and why it's come about and what it's for.”

**Council partnership officer**

A specific concern was expressed by a local authority official that where community members haven't had appropriate support they 'will be left behind'. This concern for a more inclusive approach to local decision making and priority setting is evident in the use of Local Outcome Improvement Plans (LOIPs) introduced in the Community Empowerment (Scotland) Act 2015. The requirements to produce LOIPs to inform Community Planning Partnership (CPP) priorities for improvement were being acted upon at the same time as this evaluation project was ongoing. There is therefore more reference to LOIPs from 2017 than in 2016. There is also variation in approach to how LOIPs are formulated and the extent to which this process and the requirements of the 2015 Act prompted significant changes in local authority activity, or alternatively served to reinforce already established ways of working.

Some local authorities had already organised into more devolved area-based units; others had re-organised council services thematically under Christie-related headings of people and place, with a focus on cohesive or vibrant communities. Other stakeholder organisations such as the Coalfields Regeneration Trust have community-based action planning as their core methodology to supporting community development, which encompasses an element of PB as a tool for community-led decision making at the end of a deliberative and participative process. Underpinning this approach is a move away from a more transactional, funder-beneficiary model – to a transference of decision making

power and authority to set and fund local priorities. There is clearly opportunity for mutual learning and exchange of practice between these different agencies active in community development.

As the different components of the Community Empowerment (Scotland) Act 2015 and the lessons from PB practice come together, there is evidence of increased community involvement in local priority setting, and some capacity building support for communities. For example, local authorities have been funding community organisations to facilitate local community planning and consultation activities; and others have invested in Information Technology resources to enable community development workers to engage directly in localised consultation and engagement activities that feed into larger authority-wide deliberative processes. As discussed in the following sections, these approaches to community capacity building are essential components of moving towards participation in budgeting for service design and delivery.

A final aspect of community capacity that was considered by some respondents, in relation to the small-grants model, was that these small amounts of money act as seed-corn funding, enabling small-scale local organisations to go on to access larger amounts of finance from other sources. This is part of the Coalfields Regeneration Trust model, but was not explicitly articulated by many local organisations or local authority contributors to the evaluation.

This substantial section has highlighted a number of weighty findings. These demonstrate some of the earlier conceptual and practical tensions for local people and local authorities that have been visible at PB experience-sharing events, including national PB Network events, and in local evaluation reports and overviews from other sources including What Works Scotland (2018). The evaluation findings clearly demonstrate difficulties that can arise when the community is not central to the early stages of proposals for community engagement and empowerment, and what is possible when there is a range of engagement processes and opportunities and a clarity of purpose to that engagement.

## **2.5. Impacts on Services**

### **2.5.1. Introduction**

A distinct relationship exists between the development of PB and public service delivery. A core element of PB, as indicated in policy literature, is to enhance public services via the inclusion of communities in localised, democratic and deliberative processes in the allocation of mainstream funds for public services. Such an approach would realise the potential of PB and be a transformation in the relationship between local citizen and local government.

A fundamental focus of this evaluation was the impact of PB approaches and activities on services. While PB process could support public service provision through core budget allocated to mainstream services such as education, throughout the evaluation there has been limited evidence as to the extent of the impact of PB on service design, service budgets, and community participation in service budget setting. The focus of processes

and practice has largely been on the small grant process, with thinking by elected members and officials turning to service reconfiguration and participation in budget setting only emerging in the later stages of the evaluation.

### **Key Points**

- Evidence shows that there has been limited impact on service provision, as in 2016-2017 the Community Choices processes were still new and in development, and the principal focus of activity was on small grants for community activity.
- PB-funded service provision tended to include individual, small scale requests to replace services previously funded directly by the local council, including for example, community-based social care or breakfast clubs.
- There were examples in which cuts to services, e.g. libraries, were presented as a PB exercise whereby the community was consulted on budget cuts, rather than on funding priorities.
- There has been some innovation in the application of housing revenue and road/traffic budgets where local residents were engaged in priority setting and allocation to specific projects – i.e. some evidence of PB's transformative activity/potential.
- There is some evidence of a use of thematic approaches, with locally focused events for young people, older people, people in recovery, and with Police Scotland at local levels engaging communities on safety and hate crime specific projects.

### **2.5.2. Small grants as proxy for council services - processes of transference**

Evidence presented in evaluation interviews and documentary analysis indicates that applications, and awards, for grants in the first and second phases of this evaluation followed existing patterns of funding supplementary, localised activity. These small grants had traditionally been for community based and community-led activities which were additional to the types of services ordinarily provided by a local authority. Whilst this appears to support the earlier conceptualisation of PB, and the policy methodology in Scotland around community engagement, the focus on small grants increasingly came to be used as an approach whereby communities were applying through PB processes for small grants to supplement core services. For example, in education services, rather than participative deliberation on a local authority budget for Education, PB participants have competed for small-grant funding to qualify for educational and IT resources and ways of generating sustainable income to maintain provision.

Specific examples of these actions were bids for secondary students' homework diaries, and a project proposed and administered by senior pupils to provide and subsequently self-fund lockers for the senior school. In social care services, small local projects providing social care and respite support have been 'bidding' for Community Choices (or locally named 'pots') rather than user-led organisations and local delivery partners being engaged in processes of deliberation on mainstream budgets for services.

Arguably then, PB processes were being used by both statutory and community organisations to transfer resources and services to community-led organisations or to even further devolve spend and responsibility within council departments. Evidently in the the enactment of PB policy in transferring power, as part of the localised decision-making process in public service delivery, local government is not necessarily relinquishing 'all control' but recognising the legitimacy of communities as actors in participative and democratic budget setting.

Earlier discussions on the definitions of PB concluded that defining PB for local authorities, as a whole, can be problematic. The evaluation findings suggest that confusion over definitions, or at least clearly defined aims or intentions of PB in the short-term has led to perplexity towards the establishment of the 1% requirement for mainstream budgets; and consequentially the transference of (balanced) power to local communities. The following quote from a local authority finance director highlights some of the areas of confusion experienced within councils:

“A lack of clarity over the level of resource in play and the extent of decision making that it is possible to extend to community participation contributes to the uncertainty as to what can be transferred to communities. The level and character of decision making about services and the implications of community decision making are ill-defined. Local authority directors of finance are unclear as to what is being 'transferred' under the direction to allocate resources through participatory mechanisms. Some even regard increased participation as a way of making cuts to shrinking budgets.”

**Local authority finance director**

As illustrated in the quote below, elected members (and officers) recognise the complexity of the move towards the 1% target, and responding to the lessons learned from the early and rushed introduction of local PB events, and that there is a distance to go in building trust, addressing reticence, and being confident that all members of the community are appropriately involved:

“For the next generation of PB thought should be given around how we Councils make decisions due to their remit of protecting the needs of vulnerable people, Council priorities and demonstrating best value in terms of the accounts commission and funding from the Scottish Government.”

**Local Councillor**

### **2.5.3. Transference of power or resources**

To date there are few examples which indicate that local communities have been involved in the budget-setting processes for local services to the extent that established PB principles would indicate as being core. Therefore, there is little evidence of transference of power or mainstream funds from state to community. Yet, it should be noted that there was an acknowledgment across local authorities that the purpose of the first generation PB was to raise awareness of PB amongst communities.

One local authority (Western Isles) had utilised PB for service redesign in public transport to address inefficiencies in existing services. The PB process included consultation with

community groups, asked to prioritise areas to be addressed and tailored to community needs. The area selected was the bus service linking communities across islands, and particularly local school pupils. Members of the community were involved in the procurement process, grading the tenders and deciding the successful contractor. Evidently this represents a move towards a more inclusive relationship between the state and communities in the design and the co-production of services. However, the exercise has not been repeated since on the Western Isles, nor adopted elsewhere although its potential as a transformative approach to community empowerment and engagement has been widely recognised, including in the Scotland case study on developments in PB internationally (Escobar, et. al, 2018).

Predominantly in local service delivery and PB there have been indications of transference of responsibility to bid for small grants for local service provision. For example, again in the Western Isles, a Youth Council PB project involved grants up to £250 for equipment such as balls and travel to participate in sports. For the most part communities have not been involved in budget setting at a council level, but rather have been engaged in very localised processes for small sums of money for community-based activities, there has been no involvement of community members at a more strategic financial or service oversight level. The impact of PB on public services will become more evident as local authorities progress to the 1% with the potential for real transformational change. However, as this local councillor reflects, organisational change takes time and involves complex and inter-related changes: recognised by local authority elected officials, as evidenced in this representative statement:

“We love it as a concept. I mean I like the whole participatory budgeting concept, I’ve always been quite keen on it but I’ve found it quite challenging to get movement on it on a Council perspective. Partly because so much of our budget’s tied up with people’s salaries and I suppose Best Value can also mean that you’re focused on outcomes or on specific asks in terms of some of the council spend. So, it’s a bit frustrating for me, I think sometimes that we’ve maybe not done as much as I would have hoped we would’ve done in at least the past five years.”

**Local Councillor**

It is clear that challenges exist in the relinquishing of some control of public funds to local communities. Nonetheless, there is no doubt that PB has reinforced the narrative of the importance of communities working in partnership with local institutions in participatory forms of governance. For many local authorities that formed PB steering groups as a part of their approach, membership was extended to a number of community planning partners. For example in Aberdeenshire this included public health officers; local charities; local flower arranging club; NHS support for health and social care integration; the social work department and the local allotment trust. The PB steering group assessed bids at events, indicating involvement in the decision-making process when awarding funds – albeit for small grants rather than core council service budgets. One council officer indicated in a very specific service-provision area under threat, how effective engagement can help that decision-making process:

“We had to make budget reductions and as part of that process we engaged with libraries, we used statistics, information to try and get us to a library service aligned with demand in the community, but also allowed us to take funding out of the library service on the back of these financial challenges that we face as an organisation. So that really is about active engagement with the community in terms of how we spend our money.”

**Local authority finance director**

Evidence from the evaluation indicates that some thematic or geographically focused activity, for example targeting areas with higher levels of inequality, or area and place based approaches have been adopted to target PB investment and specific services. For example, Aberdeenshire, in early PB projects, used a combination of both to address health and well-being in areas selected with higher levels of health inequalities. Likewise in South Ayrshire a hybrid approach was taken focusing on targeting PB both thematically and on a place basis to support local public services to address prevalent inequalities. For some, often very small-scale, community-based organisations it appeared that they were becoming increasingly responsible for meeting the gaps in council – and other public authority – service provision. Particularly for small, local organisations providing social care, community care, elderly, youth, mental health and wellbeing services, there was strong evidence that the downwards pressure on them to provide an increasing range of services without the formal transfer of resources was placing immense pressure on staff and volunteer numbers.

On a practical level it is too early at this stage to evaluate the impact that PB may have on services in the longer term – either positively or negatively. The examples here reflect some types of transference going on within PB processes whereby council departments are engaging directly in sourcing funding from other council budgets. Some of these requests were channelled through community groups, while in some areas school managers for example, presented the bids to the community decision-making process. These are examples of transfereces of resource and responsibility but arguably there is little discernible transfer of power or procedural reforms that could create more sustainable approaches to funding local services. Furthermore, these types of PB requests are being made in front of or through deliberative processes that are overseen by local elected members which in turn raises questions about the oversight and scrutiny of PB applications in relation to council and departmental level spending and priorities.

The realigning of services through budgetary change and PB approaches had some, perhaps unintended consequences, potentially impacting long-term relationships as these reflections on the tensions of balancing local funding decisions reveal in the snapshot below.



At one PB event observed, a very small local group sought a limited amount of resource from the neighbourhood PB exercise to provide an extensive range of services around mental wellbeing, combatting isolation, and eldercare that appeared to be a consequence of reduced or withdrawn local services and leaving the service potentially unsustainable on this scale. In a separate interview with the local councillor, it transpired that this particular organisation was the same one that was cited as a positive example of how the council had “changed the way the council resources day care”. As a result of these changes, the councillor confirmed that “now [named organisation] gets far less money from the Council directly as a result of that.” This is an example of where local funding relationships had been restructured along with service provision. These alterations affected the relationship between the community organisation, the service, and service users. The core of the argument from the same councillor – using the examples of education and social care - was that local authorities have to consider alternative ways of structuring and funding services. Increasing community engagement, using PB as an instrument of governance was considered to be part of that process. However, the connections were not made between the restructuring of the funding arrangements and service contracts and that perhaps the reduction in finance to the local organisation was linked to their participation in seeking funding through the PB small grants process.

Whilst there is little evidence from the evaluation findings of any significant impact of PB on public services as yet, a number of unintended outcomes are prevalent. The joined-up approach across local authorities and communities can lead to more effective and efficient service provision by encapsulating an inclusive and participatory approach to decision-making. An obstacle to achieving this is the lack of cohesion and clarity in definitions or characterisations of PB. Evaluation findings suggest that, to date, this has contributed to the lack of participatory decision-making on service budgets and so impact is limited. Whilst local authorities focus on the delivery of statutory services, to an extent, in times of financial resource depletion, PB compensates for withdrawn or reduced discretionary services.

## **2.6. Impacts on local democracy**

### **2.6.1. Introduction**

Throughout the evaluation process significant questions around power, power relations, resourcing, and responsibility were raised. This section of Part Two explores the findings and evidence in relation to local authorities as partners with communities, citizen engagement and community empowerment and moving towards transformation of local democracy: structures and capacity building. It provides the key findings and impact of PB upon local democracy.

## Key Points

- Local councillors were involved in PB activity at decision making level and visibly engaged in local activity.
- Concerns were raised about the division of decision-making responsibility between elected members of local councils, community councils, and community members making decisions on resources.
- There was considerable variation in the consistency and character of engagement of local authority councillors, with some using ward newsletters to inform widely on opportunities, and evidence of others directly contacting known groups.
- Community councils engage differently and to varying levels in PB activity. Some respondents consider community councils to be positive stakeholders, or local anchor organisations, while elsewhere community councils are not so well regarded.
- Local authority members vary in their levels of enthusiasm for PB, with some fully on board, others still sceptical, and others still unconvinced that PB is a cost-effective way of engaging communities in decision-making.

### 2.6.2. Local authorities as partners with communities

The different character of PB practice and the variations in purpose and intent also gave rise to considerations of the extent to which local councils - as the principal but not exclusive public authority engaged in PB – were engaging in and prepared to transfer power over resources and local service decisions to local communities, for example:

“I’ve spoken about transforming our relationship with communities we serve and the development of the community-led action plans. This is just a natural progression, not even progression, it’s an element of what we’re doing anyway but it’s giving the communities then even more recognition “we can run this, we can decide this.”

**Local authority officer**

With power comes responsibility, but there was an uneven consideration of whose responsibility services and resources are. For some local authority officials and elected members there was no room for doubt as they considered resources, services, and responsibility for delivery (and staff) to reside permanently with the council. Similarly, for some community participants the view was that the responsibility for budgetary decision-making should reside with the elected Councillors and local authority representatives.

Questions about where decisions on council services lie, such as services requiring prompt and local responses such as repairs, and more strategic concerns about meeting the needs of rural and remote communities were raised on multiple occasions. Bringing community members together to voice their priorities and decide accordingly were well received, for example:

“It has empowered the community to think about what is important to them especially as a rural community being run by a central council in a big town, people are able to determine what we need and not follow some universal policy that suits urban

communities. This could hopefully impact on council decisions at some point when they realise that communities can decide what they need and actually know what they need and spend their money where it makes the impact for them and not tick boxes and fulfil numbers in action plans.”

**Local resident / community participant**

One participant suggested that it created a more democratic approach to funding community priorities by enabling communities and local authority officials to connect funding to the aims of the community. It created options for funding which previously were not available and it changed established patterns of patronage within the community. For example, one local community organiser explained that PB was about:

“Bringing people together and giving them the choice is the best possible approach I believe. It’s their decision and I believe overall more awareness for their own community needs.”

**Local community organiser**

For some elected members and officers, there is still a shift to be made from consultation to the transfer of decision making and power that PB represents. While some are positively committed to PB and do see the longer-term strategic change it potentially offers, consultation on budget cuts, as highlighted by this councillor is a form of community participation, but it is not PB:

“The whole budget process. What I decided to do is ...in line with the rest, not just my decision alone, we decided to put everything out to the public; these are all the options, from closing public toilets to closing swimming pools, to cutting services here and cutting services, let us have your ideas, what do you feel strongly about? We also explained the real position, two facts, put out at that stage we were requesting a £17 million saving that had to be made.”

**Local Councillor**

Making the transformation from the transaction of small-grant giving and budget setting by elected members in formal councils to a transfer of resources and power is the ultimate aim of PB. The commitment to an opening target of 1% is a paradigmatic shift for local government, and will require a significant conceptual and attitudinal shift for it to happen, as discussed in the following section.

### **2.6.3. Citizen engagement and community empowerment**

There is a generally and widely expressed view that greater levels of citizen participation is a ‘good thing’ as evidenced by this officer:

“But for the first time ever people are really excited about getting power out of the chambers and out of the committee structures, and out into communities. Even officers who are quite used to how power works in this city are going, "Oh, this is really exciting. This is different." Because we're not creating a structure from start; we're bypassing the traditional council and community planning structures and methods and devolving right out to communities.”

**Local authority officer**

In terms of more substantive measures of transformation in the relationship between citizen and state, officers and elected members expressed the need to address entrenched behaviours, as previously discussed, and the need for an expression of political will to re-establish this relationship, as evidenced in the quote below on the general relationship, and in the second quote about progressing with PB:

“unless you sort of have a firm foundation of good community engagement that supports it, so you have a variety of people engaged in it, then all you’re going to end up within communities is an expression of want rather than an expression of need, or anything related to priorities. What you’ll hear is the loudest voice, those that already get the most and want more. There’s been a massive shift in the attitude of officers at all levels within the organisation and within some elected members... you can see them beginning to shift and actually thinking yes, there is something in this approach, and this could be valuable to us in terms of supporting a better view of how we achieve an impact and outcomes of the communities...I think communities... like that we’re actually going into their communities and doing something with them that is... that’s transferring how we do it. It’s very much the message through it of ‘we are serious about handing over decision making to you’.”

**Local authority officer**

“I think when we get better at it – that’s the key for me, when we start getting past cosmetic things or small improvement things and start looking at serious investment into communities then people will maybe take a bit more interest I think. Not interest, that’s the wrong word, but they’ll maybe be involved more and will have more grown-up conversations about ‘Did this work? Did that work? What happened here?’”

**Local Councillor**

There is clearly enthusiasm for progressing PB into a more transformative process shared, across different organisational stakeholders, as illustrated in this quote:

“It requires a trust involved in the processes and the administration of things, so that’s a cultural change there. But it also requires the organisation to understand the benefit of involving the community in processes. When you have a positive relationship there, how much easier your life becomes. It’s about the organisation saying, “Actually, involving the community in a process isn’t just about ticking a box and saying we’ve done it because the Scottish Government told us we had to do it.” It’s about saying, “Actually, my service is improved, my job becomes easier, when they’re not yelling at me. If nothing else.”

**Learning set discussant**

In reflecting on moving from PB as a series of events into a more mainstream activity that involves local people in deliberations on council services and funds respondents highlighted the need for improved communication and more substantive engagement with local communities, local councillors are clear on the form that the next generation of PB requires to take:

“I think the difficulty is that if we don’t help people see the options that they could possibly choose from, it’s very much a, not a closed mind, that wouldn’t be fair, but it’s

very difficult for them to imagine what they could deliver through a PB process. You think, well, £10,000 is a lot of money if you've got no money but in terms of council spend, £10,000 is seed money just to start us off."

**Local Councillor**

"I think it's the right thing to do. My difficulty with it is that sometimes we try it in places that maybe aren't the right place to try it, about community capacity, being ready for it."

**Local Councillor**

The approach of some local councils whereby community development officers work with and alongside small, local communities to identify priorities is intended to develop community capacity and potentially greater autonomy for communities:

"Now, the CLD team we have, that's what they do. They're very good at it and we have done everything from job clubs to outreach stuff all over that part of town but, for me, the difficult thing is getting these groups to be sustainable and lasting as opposed to almost like project teams."

**Local Councillor**

Following on from the earlier snapshot of the positive perceptions of the benefits of improved community engagement, the evidence in the snapshot below reveals that there were also examples of local community engagement practice of the transformative potential and of the corresponding dilemmas PB can produce.

As a result of more engagement by local authorities with local residents through PB events, a range of local community needs and priorities have surfaced. Previous, more formally structured and remote forms of communication, in addition to local ward surgeries, had perhaps not allowed for more open conversations. Also, the parameters of local funding pots made available for 'participatory budgeting' events did not always cover the full range of issues raised by members of local communities. For example, children's play areas were not eligible for funding through PB funding streams in Fife. Faced with repeated requests for new and repaired play facilities at PB events and in community consultation, rather than leaving the request to one side, council officers re-routed the evidenced demand for improved play facilities into a play strategy for Fife to be funded across service budgets and approved by the council. Some community engagement following PB events has been identified as transforming into increased community resilience whereby the community decides on relevant resources and interventions on matters such as weather preparedness and snow clearance, health emergencies etc.. However, the sustainability of community decision making is undermined by the availability of finance to resource essential equipment such as snow ploughs or defibrillators.

## 2.6.4. Transforming local democratic structures and capacity building

Many stakeholders wanted to see greater transfer of decision-making power to local communities, accompanied by increased levels of participation in relevant decision making spaces, with appropriate levels of resourcing. This includes not only the level of funding available within PB processes, but the necessary support for communities to fully participate, for example:

“when being asked to go into that [place name] meeting with the elected members it was...because ... they were not sure how the elected members were actually going to cope with not having the decisions. They get the application forms once a month sitting round their table and it's like will we give that group money, and no we can't give them and no give it to them. We just didn't know how they would react to getting that power taken away from them if we were putting all the area committee budget into PB. We were asked along, and [PB expert] of course, to say that it's better for you in this position to be able to give the power over to the community. The community will think more of you, that they're getting to decide, than you sitting in a room with six other people making that decision.”

**Community development worker**

A member of the learning set, inspired by the level of participation in priority setting and community ownership of the processes described by other members of the group, had advocated in her own community for more participation in local PB activity. However, she stated that there was resource required for capacity building:

“I think we should be given the right tools...I think there would need to be a bit of work round about, you know, that kind of gentle lead in, maybe three or four meetings.”

**Learning set discussant**

Interestingly, it was recognised that there had been significant resources for capacity building work within communities that had now been lost, with cuts (and in some cases closure) of community education departments in many areas:

“Before we used to have a Support Community Development Worker. Last year that got taken away in October and there was a restructure within the council.”

**Learning set discussant**

This was not however a universally held perspective as for some community and organisational stakeholders there was no desire to assume power, but rather to secure greater engagement and participation in a reformed relationship around managing public services. For these individuals the emphasis is clearly on the character and quality of participation in decision making on services and infrastructure:

“We're definitely not doing it because... and I mean the one percent is not until 2020, so we are not being driven by the one percent; I am absolutely clear about that. We are

driven by the desire to engage more with the communities and that's the whole thinking that sat behind the establishment of the locality partnerships."

**Local authority finance director**

Transference, to date, has been limited to relatively small pots of money for a range of projects, not necessarily focused on mainstream services, and following the established approach of community-grant applications. Where some changes in practice at local level were beginning to be seen as of real value, as one person indicated:

"I personally think it is the way for the future. Awards were made on merit, not because someone sitting on a panel has a grudge against you."

**Local resident / community participant**

Elected members held an interesting range of views on the extent to which power and resources would be transferred or even shared with local communities, as evidenced in the following quotes:

"If you're talking about 1% of budget, 99% of the budget is controlled by somebody else. It's hardly meaningful in terms of real power sharing, is it? Do I think the power will be shared? No, I don't. Politicians are a horrible breed of people and we like to keep power to ourselves as much as we can. If we have to begrudgingly give it away people are going to have to fight for it. You only get things by fighting for it and I think at 1% that's a start but..."

**Local Councillor**

Looking to the next stage of development of, there is evidence of positive support for continuing to improve and embed PB in Scotland as demonstrated by different stakeholders below:

"I'm a real enthusiast for it but I do think that we need to do far more of it across the wider council services, in particular, through community planning with other partners in the city. That's the long-winded way of saying I think it's a really good concept and we need to do more of it."

**Local Councillor**

"PB is a fantastic tool for exploring different approaches to either prioritising or delivering various services to the public. It's almost like you would like, in every service provider, to have some kind of pot of money every year that is aimed at doing exactly this process you're talking about. You go out with some vague concept of what you're trying to achieve and engage a community quite deeply for such a situation. And explore new ways of doing things."

**Learning set discussant**

As in the extended snapshot from the evaluation evidence set out below, PB appears to be creating new relationships between councillors and their communities, but the pace of this varies as individuals spot new opportunities.

For the most part local elected members were supportive of the idea of PB. Elected members have tended to be visible at local voting events with varying levels of profile at the event, largely ensuring the focus on community groups and officer organisation. Of course perceptions cover a range of views from, for example, one councillor walking around the event proclaiming “this is local democracy in action” to others having a less high-profile involvement in the event beyond a warm welcome. For some councillors, there is a clear, strategic need to move towards greater community engagement and empowerment given the changing demographics of local areas – rural and urban – and the pressures of services and public finances. This is a positive opportunity for greater creativity, working alongside communities and using the structure of LOIPs (Local Outcome Improvement Plans) and other structural supports to bring services and communities together beyond small grants. In 2018, a minority of elected members did still need to be convinced of the need for change and the benefits of transforming from a more closed public administration to a model of a more empowered partnership with communities. Partnership with communities was an increasing feature in the interviews with officers and members over the course of the evaluation, with a focus on encouraging participation and reaching out to those not previously engaged.

## **2.7. Impacts on tackling inequalities**

### **2.7.1. Introduction**

A core dimension of the evaluation was to consider the extent to which PB activity was tackling inequalities. This broad phrasing of ‘inequalities’ has a strong socio-economic and community cohesion association. The evaluation findings reveal that in taking an approach to addressing economic or place-based inequalities, the other equalities dimensions of the constraints and discriminatory effects of gender, disability, race and ethnicity, can be overlooked or at least have not been central to how approaches to PB are formulated. The lived realities of people’s everyday lives as affected by their disability, persistent gender discrimination, exclusion of ethnic-minority communities, or people who cannot independently access social, political and other opportunities are not the standard starting point for PB. From a perspective of political equality whereby “every member of the demos should be entitled to effective participation and equality in voting” (Dhal, 2006,9, cited in Celis and Mugge, 2018, 199), the evaluation has explored how emerging PB practice was engaging with the equalities dimensions of local participation. This has included how gender and other intersecting characteristics of race, disability and class were being mainstreamed into local PB decision-making processes and in the practices of local authorities in relation to PB.

### **Key Points**

- There is some evidence that the small-grants, local-decision making events made significant attempts to include a range of community information resources, family-oriented entertainment, catering and hospitality to attract people and show appreciation of their attendance.



- The commitment by local authorities to reach out to and support equalities groups as part of the PB process is increasing.
- A clear understanding of the structural, financial, and attitudinal barriers people with different characteristics experience is not yet a basic starting point for many PB practices. A move away from more 'tick-box' approaches to equal opportunities to a more detailed understanding of how to achieve equality of participation and outcome is still needed.
- There was limited evidence of analysis of equality characteristics informing practical arrangements for PB activity.
- Physical access was a significant barrier to participation including access to venues, transport to events and interpretation at events.
- For some participants the timing of events was problematic in terms of the times of day events were held and how long events ran.
- There was a lack of advance communication and lead in time to allow for building understanding and supporting participation.

### **2.7.2. Understanding equality and addressing inequality**

In relation to securing participation from all members of the community, there are clearly conceptual weaknesses as to what is meant by equality, with a sole focus on socio-economic inequality, poverty and cohesion. There is also a tendency to characterise equality considerations as fairness, revealing a lack of understanding of structural and intersectional inequalities, where people's life experiences vary and are differently unequal on the basis of their gender, race, class, and disability.

In the main, where there has been focus on equalities, it has been centred around discussions of socio-economic inequalities. This was most commonly framed in terms of 'tackling inequalities'. A focus on lower-income groups is wholly appropriate as there are marked class-based differences between political participation. However, it is clear from the extensive evaluation process that addressing structural inequalities and the unequal experiences that result have not been central to the formulation and structure of the majority of PB activities. There are several dimensions informing this claim: limited use of the PSED as a positive platform for enabling PB; evidence of limited participation of disabled people, black and ethnic minority people, and gendered engagement and representation by women and men, and limited evidence of thematic or actor-based PB activities.

The quote below captures a range of dynamics around current equalities practice, revealing a commitment to engage, an awareness of the need to have reliable local data, to be proactive in reaching out to and supporting participation from across the community, but little structural analysis beyond that:

[In terms of people with mental health problems, disabilities, things like that, how would you say the engagement was there?]

“We didn’t, and again this is one of these things we’ve looked back and thought is it the right thing or is it not the right thing. We wanted to minimise the amount of personal information that people gave. It was gender and age and postcode that’s all the demographic stuff we took. We didn’t look at inequalities monitoring and beyond that which I still don’t know if it was the right or wrong thing to be honest. We know, and again, because we obviously know that we want to engage with all folk in communities regardless of barriers, hence the door-to-door thing again. We know we did engage with folk with mental health issues and disabilities but what we can’t talk about is the proportions. We know folk from minority-ethnic groups engaged but again we can’t tell the proportions. I think at that early engagement we did the right thing to be honest.”

**Local authority officer**

A number of PB events did have an ‘equalities’ focus, themed around specific groups, needs and interests within the wider community. These included activities focused on mental health, recovery and addiction, old or young people, hate crime with the involvement of Police Scotland. Reflecting evidence of changing practice in relation to the equalities dimensions of local participation, in one of the earliest PB events in 2019, Leith Chooses allocated the full resource ‘pot’ of £44,000 for local projects with an emphasis on ensuring the inclusion of Black and Minority Ethnic groups. PB Fest 2018 included a workshop on mainstreaming equalities in PB processes, at which the team from Glasgow Caledonian University (GCU) presented, along with Glasgow Disability Alliance, and West of Scotland Race Equality Council, organised by SCDC.

These events, occurring towards the end of the evaluation project reveal a growing interest in integrating equalities analysis into the framing of PB events and in taking a transformative approach to inequalities as an integral part of community engagement in resource allocation. Mainstreaming equalities analysis and participation into mainstream budget allocations, as the shift from small grants to mainstream services happens, may be more difficult for some local authorities that still have to move beyond a more superficial approach to equal opportunities, while for others it is the transformation to which they are committed. The challenge for all local authorities will be mainstreaming equalities into service budget decisions: ensuring participation in budgeting, integrating key issues in relation to access and participation, as highlighted below.

## **Access**

Throughout the evaluation a number of issues arose in relation to access: physical accessibility of buildings and timings of events. As one officer indicated the challenges:

“One of our sessions was at the presentations somebody wanted to come and vote for the projects but because they had to wait all day for the presentations, their health needs meant that they couldn’t do it. That was probably the turning point, we thought this was really inclusive... I don’t believe one model is better than the others, it’s just doing your thing. That’s a lot for somebody who’s in a wheelchair who probably needs to get to the toilet and different things. The marketplace is a much quicker and easier process but equally what if you can’t get out your house, so how do we manage that. We haven’t cracked it with all six.”

**Local authority officer**

In addition, there were issues associated with the accessibility of the concept itself. Clarity of the concept and what it means for local people is an ongoing area for development, especially as the context of Community Choices is changing from localised small grants to community engagement in mainstream budget decisions. These tensions have been highlighted over the course of this report.

In the action research project conducted by Glasgow Disability Alliance (GDA) (2018) following the interim evaluation report, a series of issues around ensuring accessibility to venues, materials, and voting were identified. Without effective and sustained outreach, resourcing for personal assistance, transport and interpretation services, access and participation for disabled people is reduced. GDA have highlighted a range of practical steps that would improve access for disabled people in local participatory activities.<sup>11</sup>

Throughout the evaluation process repeated references were made by all parties in relation to the timing of events. Evenings and weekends were when most PB events were held, as it is assumed that people in paid and unpaid work might be better able to attend. For people with caring roles, evenings events can be difficult to attend and also present an extension of unpaid work. For community organisations, additional evening events represent a further demand on volunteers and on already limited resources. For local authority officers PB events required a significant increase in paid – and for many, unpaid – working hours in promoting the event, advancing preparation with community groups, and staffing the events. Timing of events is a persistent problem, and part of the systemic change that will be required to effect a transformation in the relationship between local people and local authorities.

## **Participation**

‘Voice’ has been identified in the literature as a core principle of PB, conceptually and operationally. Wampler (2012), Cabannes and Lipietz (2017) and Lerner (2012) all emphasise the importance of bringing in traditionally excluded groups, whilst Harkins and Escobar’s suggest that PB must be routed through existing groups (2015). This tension reflects some of the conceptual and operational challenges that implementing authorities, mainly local councils, have faced in adapting and attempting to deliver PB in Scotland.

Moreover, the question of voice – whose voice, who is in the room – reveals a lack of clarity and sense of purpose by authorities using Scottish Government-funded support for PB as both a mechanism for engaging excluded groups and a means of addressing persistent inequalities on a range of protected grounds, and in relation to income status. By not proactively ensuring full access to participation, then community voices are excluded and some more than others, this is very often those already marginalised within local decision making, as highlighted by Lightbody (2017) in her analysis of isolation and inequality among marginalised groups.

---

<sup>11</sup> <http://gda.scot/content/publications/Final-GDA-BudgetingforEquality.pdf>

For some local authorities, trying to ensure reach and participation across communities was a key element in formulating their approach to PB and an area of practice requiring improvement, as evidenced by this officer:

“We recognise that it’s a piece of work that we need to get below and really look at and say ‘what is that equalities participation’? Where do we need to strengthen what we do to encourage more groups, communities of interest, to become part of that process? Certainly, analysis has been done around gender but in the split age and different pieces of work but we need to get better at it.”

**Local authority officer**

“It was quite interesting watching the steering group operate, for example... you would have say a retired professional, mid-70-year-old man from the community, one community council and yet the other community council rep was a young single mother in her 20s. And watching the dynamic between them, she actually had to fight her corner a fair bit to get heard but just to be given I suppose an equal status.”

**Local authority officer**

An overview of participation in events, and value and numbers of bids led by women and men, reveals similar results that women tend to predominate in local welfare, care and family related activities. In one women-only evaluation focus group participants revealed repeated examples of limited gender analysis and poor understanding of the intersectional dimensions of gender, race and class, and disability analysis by local authority officers and others. In addition to these deficiencies in policy analysis, the women revealed discriminatory experiences when engaging in PB activity, including the consistent use of derogatory language used to describe women, including women talking as ‘yapping’ and how they are mimicked in meetings, and that “Women are talked down and talked over.”

**Community councillor**

Women expressed some of their experiences in relation to male colleagues as being told, for example, “I am ‘fed up listening to this feminist stuff’” when asked to consider gender. This same official described how “one guy won’t engage...turns his back on me in meetings. I wouldn’t feel safe chapping his door.”

**Community development worker**

They also identified persistent gendered representations in the PB events and bidding processes with engrained assumptions from fund holders reinforcing gender segregation and stereotyping:

“Men are all about sports and equipment while women are presenting childcare and education, health, social care. When we asked for funding for ESL classes for Asian women in this part of the city, the (men) holding the budgets suggested we fund cooking classes instead. When we said that wasn’t exactly what we were after and only reinforced the women in the home, we were told “perhaps they’d like to make bunting for the local gala then.”

**Local development officer**

In addition to an enduring absence of gender analysis, evidence from the research project conducted by GDA highlighted significant weaknesses in understanding and responding to the experiences of disabled people. In its 2018 report, GDA evidenced very concerning levels of exclusion among disabled people. Lack of support for participation, access and engagement including transport, interpretation, personal assistance, and clear communication were all cited as persistent factors excluding disabled people from PB activities. The continuing exclusion of disabled people from decision-making, including from supposedly participatory processes, is a result of limited information and communication on what PB is and what the processes involved are and of limited financing and activity to support active participation by disabled people.

Further to access and support for participation, significant issues arise around the purpose of participation and the level of public finance which disabled people could be engaged in influencing. While welcome and important, small-scale community grants have very limited capacity to meet the needs and sustain support and participation for disabled people. Transformative change for disabled people requires the sustained participation of disabled people in resource and policy decision making in social care, employability, housing, transport, public infrastructure and other public services. For the commitment of PB to provide meaningful change for disabled people, across mainstream services under the 1% Framework Agreement, they must be supported to participate in all aspects of the co-production, design, and formulation of public budgets and service design.

There is limited evidence of black and minority ethnic (BME) individuals and communities in local PB activities. Among the numerous organisations applying for Community Choices Fund, few BME organisations from across Scotland applied and only one received an award. West of Scotland Regional Equality Council (WREC) has described its dissatisfaction with PB processes which have not sufficiently resourced activities to support participation and engagement from local non-white communities. New immigrants, refugees and asylum seekers continue to be on the margins of PB as a formal, institution-led participatory mechanism.

The relationship between PB activity and the ways in which it reduced inequalities was the fourth area of focus of this evaluation. This was based on the assumption that PB can support the reduction of societal inequalities as an enabler of engagement of all sections of the community (irrespective of gender, disability, ethnic origin, colour, citizenship or other social status or identity, specifically those characteristics protected under the Equality Act 2010) to engage in local decision-making:

“To focus / to redirect resources to address existing inequalities”, I think that would be an outcome from it but it’s not one that we would promote to be able to say so the result of this it’s helping equality. I think that’s the outcome because the community don’t always see it as that but I think it is important when we’re looking at priorities of what is it you’re trying to do in your community-led action plan and health and social care?”

**Local authority officer**

With Community Choices funding administered through local PB events-based activities structural inequalities of gender, race, and disability discrimination are not going to be redressed, nor are significant and persistent socio-economic inequalities. The sums in play are too small to make significant differences. The small sums support local activity and can enhance cultural or leisure based activities, enhance local support for community action and activity with important, but limited, social cohesion and social care benefits. Tackling enduring and persistent inequalities requires significant political commitment, community empowerment and access to decision making on resource allocation on an entirely different scale to that offered in the first iterations of PB. The challenges for addressing inequalities will not be met through small-grant allocations, but through participation in decision making and budget setting on social care, housing, education, transport, and other mainstream policy and services.

Observations from attending events, discussions with a range of stakeholders, and semi-structured interviews revealed high levels of positive engagement with the idea of 'PB'. While the concept of PB met with enthusiastic and energetic activity from local authority officers and other institutional actors, distinct variations were evident in the definitions across participating local authorities. There was clearly enthusiasm from many local authority officers, for some of whom regarded PB as a way to engage with the community. Local community members were generally positive but remained guarded about the allocation processes and the funding streams. It was clear throughout 2016 and 2017 that activities to create participatory processes and engagement were highly resource intensive for local authority officers and for applicant organisations.

## **2.8. Moving to the mainstream: Implementing the 1%**

### **2.8.1. Introduction**

The decision to scale up the approach to Community Choices from the funding of small-scale, locally-based initiatives, to introduce a requirement on local authorities to allocate at least 1% of council budgets through participatory budgeting by the end of 2021 is a significant shift in policy ([Community Choices 1% Framework Agreement between the Scottish Government and COSLA](#)). This decision occurred after the evaluation had commenced, and was the reason for extending the evaluation process into a third year. The policy was introduced in the context of reducing council budgets and increased pressures on service delivery within reconfigured structures. Introducing a requirement for local authorities not only to consult but to directly support citizen participation in resource allocation decisions can be regarded as both a decisive political statement and a transformational drive for increasing participatory democracy.

### **Key Points**

- Evidence from the evaluation suggests there is ongoing uncertainty as to how to expand and support increased participation in local resource allocation decisions.
- Participants raised concerns over stability of local government finances.

- There were concerns that allocation of resources to participation rather than through participatory means will result in a reduction in service budgets.
- For some, the move to mainstreaming PB is an extension of the trajectory individual local authorities have set towards a transformative partnership model of working with communities.
- A key question was raised throughout the interviews: is the 1% figure to be regarded as a 'floor' (minimum) or a 'ceiling' (maximum cap)?

The extent to which statutory services are implicated, or whether the 1% can or will be calculated as a cumulative sum of various small-scale activities, is unclear as yet as local authorities are still in the process of developing their approaches. The significant tensions are how councils will approach how to reach the target of 1%. Is the target regarded as a 'ceiling' or limit on participation and on the cumulative amount to be decided upon; or is it to be regarded as an enabling floor or baseline for expanding the value of local authority budgets to be decided upon through participatory and deliberative methods? These questions are at the core of the transformative potential of the mainstreaming commitment – and central government direction - towards participation in local government spending allocations. In presenting and discussing the findings relating to the implementation of 1% in this report, we do not wish to reinforce the perception that 1% is a fixed sum, as the interpretation remains open to implementing authorities. For that reason, we occasionally refer to 1% (+) so as to clarify that individual authorities may decide to engage larger sums of money from across council budgets.

### **2.8.2. Perceptions of the 1%**

Evidence from the evaluation indicates that, in some cases, councillors and officials consider PB processes to have the potential to transfer some responsibility for budget cuts or for some level of transfer of local service provision.

For others, participation is seen as a cost, rather than a method or means to deliberate on budgetary decisions:

“£50,000 of officer time to disburse £110,000 in grant funding is not cost effective.”

**Local Councillor**

Maintaining the level of officer time and time commitments from community members is potentially unsustainable. In the development and delivery phases 2016-2018, a considerable amount of staff time was dedicated to organising and delivering PB events. For some, this was considered an investment in new ways of working towards a different relationship with the community:

“there’s always room for improvement. It’s extremely challenging resource-wise and at times cost-wise, time-wise, to reach all the groups that require special efforts to reach. We tried... we did consider that and looked at... we got advice from Health and Social Care Partnership and recommendations which groups were network groups that could maybe represent the views of a particular equalities group. We split that amongst the

team and we then took on to go and meet them with the tablets and engage with that group.”

**Local authority officer**

For some it was additional to their un-restructured workload. From some perspectives the investment of staff time was seen as highly unsatisfactory in relation to the amount of money disbursed through the participatory decision making processes on small grants. These experiences also highlighted the absence of pre-existing structures and ways of working that lend themselves to and/or are intended to support community engagement.

For others, as evidenced in the quote by a councillor below, there is a concern that PB is not transforming the way of working of local authorities, but represents a threat to resources within the control of the administration:

“So the 1%.... I think when we first started talking about it there was quite a bit of confusion by the Council and particularly the administration who were saying oh right is that the IGF [Integrated Grant Fund] budget? And we were going ‘no, no, it’s all budgets it’s everything that we do.”

**Local Councillor**

Some local authorities have been running consultation exercises to inform and engage local residents and service users about options for spending and cutting council budgets. For some, these whole budget exercises sufficed as a means of community consultation while others recognised the potential to improve on consultation and to engage in enhanced participation on decisions based on locally identified priorities.

Among these authorities, Dundee actioned an authority-wide exercise, Engage Dundee, to identify local priorities. South Ayrshire Council also ran a full-budget consultation exercise seeking views on local priorities for service provision, closure and alternatives when faced with £17m savings to be identified. These are examples of two very different community engagement exercises, but both have informed the approaches to implementing the commitment to 1% allocation via participation.

The Our People, Our Place approach in South Ayrshire comprised week long, locality-based consultations on local priorities, with transport funded to support participation from outlying communities. These were some of the many examples of the types of consultation and participation activities that had been attempted. Such approaches have increasingly been informing LOIPs and other local planning and resource allocation processes in relation to local services across budget lines and involving service and policy officers in housing, transport, and environmental maintenance along with community development staff and partners.

In Fife, the priorities identified by communities in relation to local children’s play areas were not initially eligible for funding through the monies allocated to PB grants. However, the needs of the communities when articulated at PB events were then captured separately and formed the basis of a separate strategy for funding playpark construction and improvement. In several councils, housing improvement and environmental management and improvement activities were the focus of increasingly integrated



planning and resource allocation to home improvement and renovations, use of public spaces, and maintenance of common areas. A dual approach to PB is emerging as local authorities continue running local events for small-scale grant making, whilst also scaling up to formulating spending decisions in consultation with, or based on, the priorities identified in participatory events. As the quote below illustrates, these approaches have to be financially sustainable and in the interests of the community and the financial stability of the local authority:

“Well [what] we’re trying to do between now and next March is analyse what’s happened so far, look at how do you do participation? ... for example, a village says that their main priority is to have a brand new road; do we build that into funds from the capital programme and make that a priority because that’s what the participatory process has told us to do, you know? It could be anything like that. Is that the way we go, but we still want to keep an element as I say of the [PB voting/presentational] events. How much that element is? That’s the decision to be made, you know. Because the other thing that I would like to see emphasised in our process is that we want long-term social benefits; we don’t want a trip to the shops... you know. While some of that is quite good for certain things, we need to look at what’s the money going to benefit the community in the long term?”

**Local Councillor**

### **2.8.3. Interpreting the 1%**

While the 2017 joint Framework Agreement is not prescriptive in the approach to be adopted by councils, it is clear that the intention is to expand participation in decision making across the range of council budgets and services. The flexibilities around implementation include thematic approaches related to equalities groups, people, and place; a service focus around care, environmental maintenance, and housing; ward and neighbourhood level disbursement.

A significant finding is the status and stability of local government finance now and in the coming years. As evidenced elsewhere in this report, the evaluation has identified that reduced budgets and cuts to local government finance and services has set the context of PB in Scotland. Without engaging in the politics of the situation, practical considerations about allocations from the Scottish Government to local councils and then within local councils remain. These uncertainties need to be addressed at local - and national – level in order to resolve the lack of clarity and confidence in engaging in participation as a method for local government budgeting, and viewing PB as a positive approach to transformed relations at local level, rather than perceiving participation as a cost to local government finance. The funding settlement and financial context for local authorities is at the forefront of any considerations about extending participation and transferring decision making on constrained resources, as evidenced by these examples of concerns from officers and elected members:

“I mean our resources are extremely tight as you’ll know from wherever you go. It’s extremely challenging to try to keep the status quo, not that the status quo is necessarily right, but it’s that bit about obviously you could see that it depends where

the budget is going to come from. We need to put more money there, but we need to take money from somewhere else to do that. That's really, really tricky. I think it's going to have...it's a real challenge for services. As well as there being great opportunities and benefits around outcome improvement, ultimately it's hard when there are already so many demands and diminishing budgets.”

**Local authority finance officer**

“I think the problem for me is that the 1% sounds like a good thing, but it's so small you can talk about the millions in terms of the [council name] budget, it will look significant, but when you actually look at the overall services and what's actually allocated for each service it's just a tiny drop in the ocean, so I think for me because it's such a big chunk of our budget for the area partnership, you know, it's a substantial minority of the grants money that we give out has now been made on this process and the people who are less keen on it are now actually quite strong advocates for it. I think they would see it as something you'd want to do on a regular basis, but not for every grant, but they enjoyed influencing the way the event took place.”

**Local Councillor**

The evaluation reveals current complexities around when and how to meet the target, with some councils suggesting that through previous work the 1% has already been met. However, recognising that the processes are not yet where they should be in terms of PB values and principles:

“it's too easy to do the numbers. We could go back just now and say we are spending that amount of money using PB methods, we could do it now, we don't have to wait until 2021...but it's not enough, it's still just a small part of what we are doing, to me it's about philosophy of how we engage.”

**Local authority officer**

“I think we would all want to do it right up to the point when it became a choice between schools, libraries, care homes, whatever, and doing that, it would be the old 'What cuts am I prepared to live with?' Until we stop cutting the council budgets. Until they stop shrinking, I think it's very difficult to get the buy-in you would like for that unless people see it as a way of getting money into their community that they can help spend in an effective way. The self-interest thing comes along and they think, 'Oh, if I'm going to get some of that in my area, I'm happy,' which is not really, it's sub-optimal in terms of the council. If we are losing jobs and staff that would be delivering stuff and yet we're pushing some of this money out. Organisationally, I can hear it now! The difficulty with that is that that's a very hard sell.”

**Local Councillor**

Interview evidence reveals apprehension and resistance to perceived transference of power and concerns about additional costs associated with increasing participation. Of most concern is evidence of a fundamental lack of understanding that participation is intended to be the process by which decisions are made, rather than an element of spend additional to service budgets and therefore to be realised at the expense of service budgets.

For some contributors, a more positive aspect is that the 1% is a way to take a focused approach, with the commitment viewed as a positive lever, for example:

“I think the focus for us here is about participation and about engaging in the areas where the communities can genuinely influence what we do, you know, because there will be some areas where we just can be part of those discussions, some of the things around education for example, some elements of it I guess, so here we’ve not gone about an exercise to get to one percent and say right that’s us, we’ve got to one percent, we’re not doing anymore participation with communities; the focus has been on identifying areas where we want to have more of those, if you like, deeper-dive conversations with the communities about well what does this mean for your locality?”

**Local authority finance director**

“I think we were struggling to get folk round the table but I think actually when the one percent went through the committee and heads of finance and others saw it, it was suddenly “oh we better do something about this”, so we provide a forum for them to come aboard and understand the minor bits of what we’ve done... what I can say is they know they have to do it, so that makes it easier to have the conversation, you know, up until now PB has been optional or an idea or whatever, but now it’s something the council have to do; that makes for an easier conversation.”

**Local authority officer**

#### **2.8.4. Community awareness and understanding**

It is clear from interviews and discussions in other forums that there is continuing uncertainty and lack of clarity as to what “the 1%” means for council services and the nature of community participation, for example:

“I think, still from just what I’m hearing when I’m out there, I still think that people are under the impression that this one percent is still going to be for your smaller... for like if it’s a community chest that local authority call it, that that’s what it’s going to be for. It’s just going to be for the community chest. I don’t think they’re realising that there can be more coming into that, as being services that may be involved in it. I think in that aspect the communities maybe aren’t as aware of what can be happening in the future.”

**Community development worker**

“it’s how we build the notion that this is just the beginning of a process of which there will be more and more money coming to groups to spend to shape their local environment, their local community. If we can get people to buy into that notion, then we’ve got a better chance of the group having a better life cycle rather than just once and then finished. For me, that would be a win, if we have people we know we could go back to because they’re still engaged. Even once the PB money is done, they’re still engaged and doing something in their community so that would mean it’s working better.”

**Local Councillor**

Individually and collectively through COSLA and networking opportunities, councils are working on how to meet the target. Participatory and deliberative methods that directly engaged the local community in how the 1% could be approached do not yet appear to be

widespread, but there is some evidence local authority officers are engaged in more deliberative processes as reflected in this statement:

“The 1% for (council name) is circa £6.3 million and basically that [local working] group and the people that are specifically working on participatory budgeting are preparing a scoping paper on how we’re going to develop participatory budgeting to reach the target of the 1% by the date that is required.”

**Finance officer**

Echoing earlier comments about the need for cultural change within local authorities and the investment in community capacity, stakeholders outside local authorities have emphasised the requirement for change in approach and improvements in communication and awareness raising among communities, for example:

“It’s a cultural shift that really needs to happen because people have never really been asked what they think before, and then suddenly they’re expected to just understand it or feel that they have the power when... it’s a whole new experience that people have to get an appetite for it. Also, the councils have to have an appetite to give it.”

**Community development worker**

“I think they [communities] don’t know what’s being asked of them and I think it’s... they’re more suspicious as to... I don’t know if... as I say I think some of the people I’ve been speaking to they do still think that it’s just going to be your wee small pockets of money that would go to the community groups that’s now going to be decided in that way. I mean one percent of some council’s budgets is a lot of money... and I don’t think people know enough.”

**Community development worker**

The clear apprehensions among elected members and officers do not appear to stem from an opposition to the proposal of increased participation in decision making or the transference of increased power to communities. As these quotes reveal, the concerns relate to the levels of understanding of communities and councils, and the preparedness of both to make the transformation possible:

“In general, there is nothing wrong with trying to push the decision maker as far away from the centre as possible. It makes me twitchy but the reality is that I know it’s the right thing to do, I just need it to be the right thing to do that works, I suppose.”

**Local Councillor**

“That’s a lot of money to try and push down into communities in a meaningful way that... If we push it to the area committees, let’s say for example, and said, ‘Right, run PBs on that.’ One, it’ll be patchy and two, the results will maybe not deliver what we had hoped it would deliver and is it then a bit like the head teacher money? From the Pupil Equity Fund which, again, is not the way I would do it because I don’t think it is going to work in the way they would want it to. It’s the right idea; put the money to where it’s going to make, you know, but if we then send people to spend this money at a scale you’ve just never spent before, what’s it going to look like? Are we going to get

efficiency or are we going to get sporadic hits? I suppose it's not my problem to worry about really. The communities themselves will pick what suits them best but there has to be some sort of cohesion so when we start talking about £6.5 million or thereabouts, just roughly, that would be a huge amount of money to try and do some PB without building up to it or maybe not going fast enough. I'm hoping that what we learn can be scaled up to cope or it might just be a case of that 1% by 2020 will be softened."

**Local Councillor**

### **3. Part Three – Implications for Policy and Practice**

#### **Introduction**

This evaluation study has been the most comprehensive analysis of activity around PB in Scotland. Covering three years of activity, within a dynamic policy context and learning environment, as local authorities and other stakeholders have engaged in developing PB activity and in exchanging practice amongst one another.

This section places the findings into the context of the 3T's model developed as part of the evaluation framework and applies these theoretically informed characterisations to practical implications for progressing PB.

#### **Key Points**

- Summarising conceptual definitions and operational challenges for local authorities, third and public sector bodies reinforces the complexity as well as the transformative potential for PB.
- From the evaluation findings a series of key propositions are formulated to support greater clarity of purpose and direction for PB as local authorities, supported by partner organisations, move towards the 1% target and the challenges of mainstreaming participation in setting budgets and priorities.
- The 3T's model of transaction, transference, and transformation formulated within the evaluation presents a framework for practitioners to reflect on and design their strategic intent and practical actions in relation to PB.
- A series of specific actions are proposed that reflect the evidence and findings in the evaluation across the four areas of focus – communities, services, local democracy and tackling inequality.
- These actions and the implications for practice are intended to support the Scottish Government, local authorities and partner organisations realise stated commitments to advancing the empowerment of local communities through increased participation in local decision making.

#### **3.1. Characterising and rethinking PB: revisiting the 3T's model**

Drawing on the rich material from observations, interviews, documentary analysis and fieldnotes, along with concepts and principles from the literature on PB in Scotland and internationally, has informed the analytical framework of transaction, transference, and transformation. The interim evaluation report considered early characterisations of PB activities in Scotland and the extent to which local authorities were constructing PB as a policy instrument or policy device (Harkins and Escobar, 2015). As both the evaluation and the policy direction progressed further into analysis of the implications and implementation of mainstreaming PB, it became increasingly necessary to understand the character of PB activity. In other words, identifying what was actually going on in practice and how that practice relates to the stated policy intention of PB by the Scottish Government and how closely that relates to the established principles for PB.

The introduction to this report sets out the description of PB in the 2017 Framework Agreement between COSLA and the Scottish Government. The 1% target proposed in the Framework places significant demands on the concept of PB, potentially overloading both the concept and how it is operationalised with unrealistic expectations. To recap the 2017 definition, PB is required to:

- enable active participation of citizens in local decision making;
- establish a shared expectation that elected members, senior officers, civil society and local communities will use PB to go beyond the current arrangements for consultation and engagement;
- support the longer term strategic aim of public sector reform that can be achieved by applying spend to the greatest areas of need, where social cohesion can be developed or maintained;
- deliver a partnership approach to PB whereby mainstream funding is identified across a partnership for mainstream services with an aim to shaping how services are delivered in the area;
- actively involve local people with the intention of making them “less passive consumers of public services and more supportive of new models of delivery”.

(COSLA, 2017)

These multiple aims place a significant burden on the idea of PB and how it is implemented in Scotland, as well as conceptual and organisational challenges for local authorities, third sector and other public sector bodies. The evaluation findings invite those with a commitment to PB as a potentially transformative force in local governance, community participation and budgetary allocation to consider a number of key propositions, as follows:

- If it is the shared intention of Scottish Government and local authorities to empower communities by changing the nature of decision-making processes at the local level, that requires a **transference** of power between the different levels of government and the different actors – institutional and community – engaged in the process.
- If it is the intention of the Scottish Government and public authorities, not only local councils, to reform the structure, design and delivery of public services, then that too requires a **transference** of power and resources, to effect the transformation implicit in public service reform.
- If the intention of central and local government and public authorities is to create genuine partnerships in decision making about the needs of people in their communities that are based on the priorities identified by those people, then that requires a **transformation** in the relationship between all those partners.
- **Transferring** the power and resources to be able to identify and articulate priorities relevant to all members of Scotland’s communities also requires re-building trust in government and public authorities.
- If the intention is to support people in Scotland to be actively engaged in decision making and exercising their voice, that requires a **transformation** in the understanding

of the structural constraints that continue to limit inclusion and reinforce the exclusion of many because of their poverty, disability, gender or ethnicity.

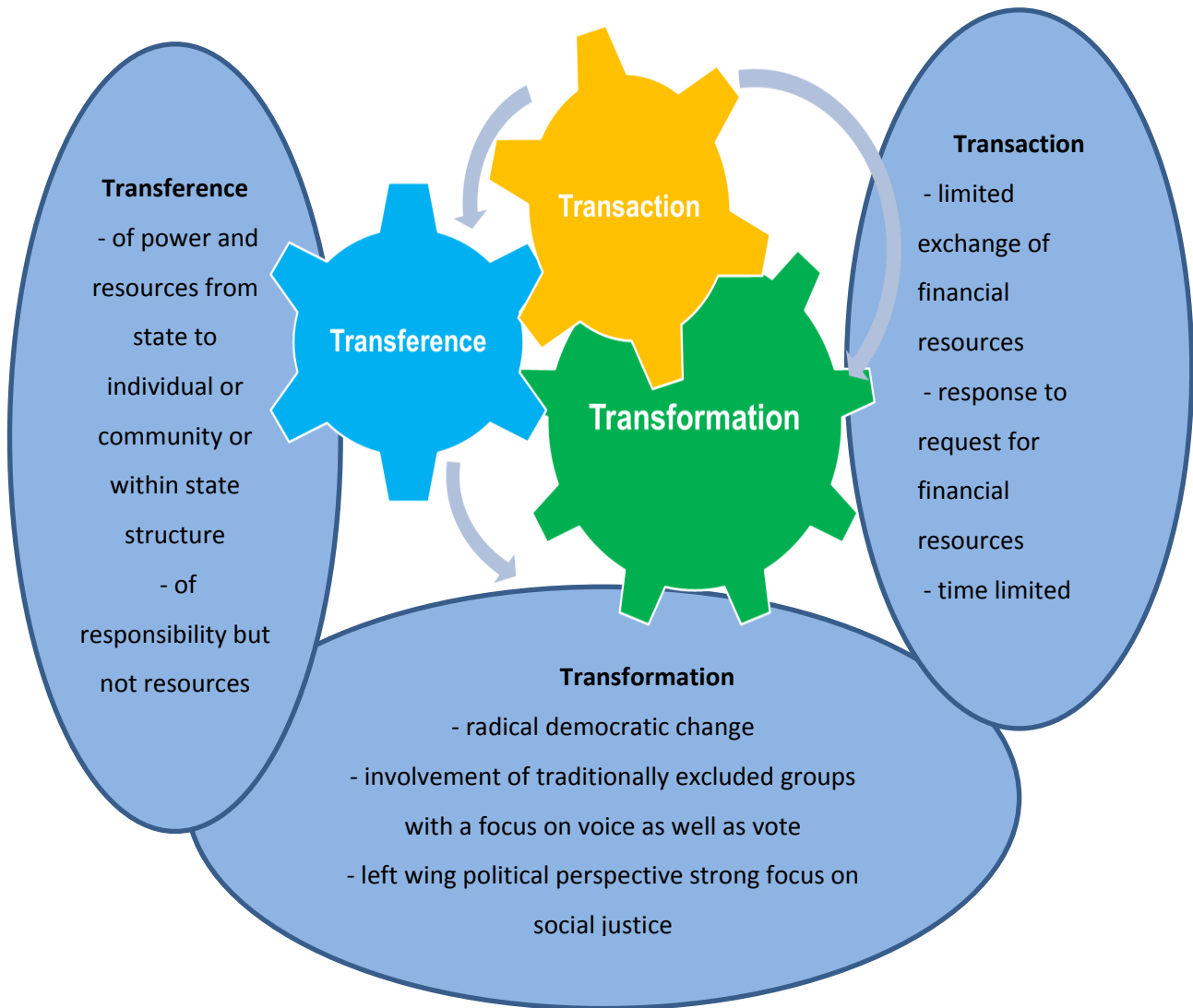
Ultimately if the intention is to use PB to achieve transformational aims, then the character of the practice needs to be transformational. In a definition of PB that reflects the transformative character proposed in this model, Goldfranks (2007) offers a clear operational description of PB that could be useful in developing the next 'generation' of PB in Scotland:

“open to any citizen who wants to participate, combines direct and representative democracy, involves deliberation (not merely consultation), redistributes resources towards the poor, and is self-regulating, such that participants help define the rules governing the process, including the criteria by which resources are allocated.”  
(2007, p.92)

In light of the emerging findings from the evaluation we propose this more refined form of the 3T's which policy makers may find useful. The refined “3Ts Framework” proposed here at Figure 2 also allows practitioners and stakeholders in PB in Scotland to identify the varying states that local authorities currently occupy in relation to the implementation of PB. For example, enabling them to consider whether PB is transactional leading to the transference of power to communities in the allocation of budgets for public services, culminating in a transformational approach to PB which is sought by the Scottish Government. Whilst we also note that there are some PB processes that will have aspects of transference, transformation and transaction within them the use of categories helps consider the overall purpose and intention of PB activity.



**Figure 2. Expanding the 3T's model**



The different approaches to PB stem from the different ways it is characterised by the lead organisation or organising influence. Cabannes and Lipietz (2018) offer a useful categorisation of types of PB that highlight the potential differences in PB that is initiated by citizens and that which is initiated by government. They differentiate between PB that is motivated by political change, matters of good governance or technocratic concerns. PB as motivated by political change, as highlighted by Escobar and others (Escobar et al. 2018) frames PB as a response to the need for change in current democratic processes. Such actions can meet the demand for more radical and empowering processes that “deepen democracy” (Cabannes and Lipietz, 2018, p.4), such as the Community Empowerment (Scotland) Act 2015 aspires to progress and the Local Governance Review could make possible. Motivations towards matters of good governance view PB as a way to improve the links between public administration institutions and citizens.

Technocratic concerns consider the ways in which PB can maximise resources through efficiencies and optimising resources for the benefit of citizens and to manage reducing public resources (Cabannes and Lipietz, 2018).

The established principles of PB across the international academic literature based on experiences in different contexts globally and in Scotland and the UK are condensed in Table 6.

**Table 6. Principles of Participatory Budgeting**

<b>Participatory Unit</b>	<b>Budgeting</b>	<b>Wampler's Principles (2012)</b>	<b>Harkins and Escobar Principles (2015)</b>
Accessibility			PB is a long-term endeavour.
Local ownership		Voice	PB requires strong leadership, time and resource.
Shared responsibility			
Deliberation		Vote	PB should be independently facilitated.
Transparency			
Support representative democracy		Oversight	PB enables an authentic representation of community interest.
Mainstream involvement		Social Justice	PB should be a new and distinct approach. PB must utilise existing community groups. PB must be clear what form of democracy it will take. PB recognises the challenges in engaging socially excluded citizens. PB has realistic expectations of community representation. PB allocates reasonable funding to a limited number of projects.

Wampler (2012) asserts a set of four core principles which must underpin PB in order to achieve these impacts: Voice, Vote, Social Justice, and Oversight. These characteristics broadly encompass the impacts outlined by the Scottish Government. The principles offered by the Participatory Budgeting Unit and Harkins and Escobar (2015) provide more definition, underpinning the design and delivery of PB as suggested by Wampler (2012). The forms PB activity can take vary from “symbolic participatory gestures to transformational impact” (Cabannes and Lipietz, 2018). It is this spectrum of activity that structures the scope and analytical perspective of this evaluation. Has PB in Scotland been and does it remain symbolic, suggesting a veneer of decentralisation of decision making? Is there a genuine intent and interest in opening up power relations and space to different forms of engagement that will result in a transformation of the relationship between citizens at the local level and the different levels of local governance including councils and other public administration institutions?

## **3.2. Reflections and ways forward**

### **3.2.1. Introduction**

Our core conclusions reflect the findings from observations, documentary analysis, action research, and structured interviews. The evidence and findings reveal considerable good will and positive disposition to improving and enhancing community engagement as a central approach to local authority and wider public sector practice. There is substantial evidence of engaged and dynamic individuals within local authorities, communities, community organisations, and national organisations. There is clear enthusiasm for new ways of working. These factors, and the operational pressures of implementing PB reinforce the need for strategic and institutional commitment to a clear purpose and transformational intent for PB.

### **3.2.2. Character of PB in Scotland: towards a Scottish model?**

This report sets out the findings from comprehensive evidence that reflects the diverse views and experience of local residents, local council officers and elected members, local and national stakeholder organisations. It has informed a proposed framework for analysis in the “3T’s” that could be considered as an emerging model to describe practice in Scotland. In this final section, a clear set of implications for practice are proposed. Consistent with the principal areas of investigation, these implications are presented here in relation to communities, services, democracy, equalities, and mainstreaming PB.

This description of PB appears on the PB Scotland website<sup>12</sup>, the PB portal funded by the Scottish Government. The text accompanies a promotional film on the implementation of PB and progress towards the 1% target, and the mainstreaming of participation in budget decisions:

“Done well, mainstream PB has the potential to reshape public participation in local democracy, ultimately leading to better decisions that meet the needs of local people.

Working toward mainstreaming is a challenge because it’s so new in Scotland.

COSLA and the Scottish Government have committed to 1% of local government’s budgets being decided through participatory budgeting by the end of 2021.

To help towards achieving that, we need to decide what mainstream PB can look like across the country - and how we can make sure communities are involved in this process.”

Given this articulated intention, how then as PB moves into its next iteration can citizens and institutions make sure mainstream participatory budgeting is done with and not to communities? The following set of actions comprise clear areas of re-orientation and practice by local authorities and partners to progress more inclusive, deliberative, engaged

---

<sup>12</sup> <https://pbscotland.scot/film>

and empowered participation in local resource decision making. They are framed across the four areas of impact that were the focus of the evaluation study (Communities, Services, Local Democracy and Tackling Inequalities), and are informed by the substantial findings detailed in this report. Drawing on the learning and evidence from the evaluation, where possible, indicative activities to implement the actions are proposed. The findings offer a range of learning points from the early PB activities and the opportunities to improve community involvement in the design and planning of events, and the need for the diverse needs and experiences of different members of the community.

### **3.2.3. Actions for impact on communities**

- Sustain meaningful and purposeful involvement of local communities, including essential preparatory work and local community development by earlier and more proactive activity to engage community residents in what PB means to local communities and what the opportunities to engage could mean for local services.
- Support inclusion and participation of whole communities by identifying and acting upon their different needs and requirements. This includes consideration of equalities characteristics; different patterns of service usage; and support needs in relation to interpretation, accessible venues and transport, and engagement in setting priorities for services such as social care and transport.
- Change to more inclusive and localised ways of working that reflect the differences between places within local authority areas in relation to diversity, income levels, and types of services.
- More closely involve local council officers and other partners in shaping local services, including environmental improvements, use of public space, social care and accessibility of public services and spaces.
- Resource community and institutional capacity building – that is, the skills, confidence and knowledge to engage in sustainable and meaningful participation so there is a transfer of power and resources that effectively empowers communities.
- Make more effective use of LOIPs and an integrated approach to community consultation that transforms community consultation and minimal engagement into informed participatory decision making on budgeting, priority setting and resource allocation.

### **3.2.4. Actions for impact on services**

- Develop the analytical and community development capacity within local authorities by improving local data on equality groups and improving understanding of different patterns of service use and participation.
- Develop a better understanding of what PB is, and can achieve by working towards cultural change at all levels of local government to enable a shift in power and decision making.
- Working across local authorities, COSLA and other public bodies will ensure greater coherence of purpose and understanding of PB across the public sector.
- Address the disjointed and dislocated approaches to PB by working towards an integrated service approach to community participation and decision making through improved alignment of community planning objectives and resource sharing processes.

- Address the underlying anxieties of public finance managers that participation is a method that needs to be resourced, not an additional service to fund, by investing time and resource in training and building competence and confidence in transference of power and resources to communities.
- Build internal capacity on analysis and understanding of equalities dimensions of participation through training and awareness raising on equalities with council officers, elected members and partners.
- Resource equalities implications of services to meet diverse needs within communities by ensuring equality impact assessments, effective consultation and mitigation are regularly and consistently conducted on policy proposals from local councils and public bodies.

### **3.2.5. Actions for impact on local democracy**

- Build understanding of PB as a concept among local elected members in local councils and community councils through proactive information and awareness raising materials, that explain PB is a way of doing things that needs to be resourced to support better outcomes for citizens, within limited resources.
- Encourage local authorities and community councils to open up to other forms of citizen participation such as citizens' juries or assemblies, and make more information available in different formats.
- Ensure clear participatory intent is supported by best practice in participatory and deliberative methods by taking steps to address the issues of exclusion identified in the findings and resourcing more inclusive activity.
- Build public knowledge and understanding of public finance so that local people are better informed on local government finance, what decisions they can be involved in, and what differences that might make.
- Open budgetary processes to public scrutiny and participation through improved information available in a range of formats, and providing in advance of budget setting and decision making on priorities.
- Engage local people in budget setting so that PB is both participatory and involves budgeting by empowering local people with information and accessible opportunities to participate in setting spending and service priorities. These more inclusive approaches from local authorities and public bodies would be a confirmation that participation transforms relationships and services.

### **3.2.6. Actions for impact on tackling inequalities**

- Improve data and knowledge on local communities so that communication, engagement opportunities, and service design more closely reflect local needs and priorities.
- Use the PSED as a strategic lever to engage council departments and partners across the public sector in equality analysis and designing public services by consulting directly with people on finance and service decisions. This means improving the practice of Equality Impact Assessments as a matter of good governance.

- Use the National Standards for Community Engagement as a practical framework to support local authorities, third and public sector partners to engage to reach out to local people across diverse needs and experiences.
- The Scottish Government could make use of the ministerial duties within PSED in Scotland to support and direct the improvement of equality analysis and practice within local governance by requiring regular reporting on activity to advance equality of outcome and improvements in practices related to empowering local communities.

### **3.3. Conclusion**

The early iterations of PB as a small grants process varied in how they have been presented to communities and the extent to which communities have been engaged in decision making beyond a transactional – funder:beneficiary relationship. Where there is evidence of transference of decision making power over local priorities and resources, communities and councils (and their partner organisations) are responding by changing, or aiming to change, their ways of working around service planning and design. The small grants as a transactional model has had important benefits around community cohesion, transferring knowledge and awareness of local activity, if not power over resources.

The transformative potential of PB is clear but requires significant improvement in the deliberative opportunities and processes for supporting participation in decision making at local level and at the level of council budgets. Uncertainties over levels of funding and stability of resources to councils undermine the ability of local authorities to scale up community participation. Established organisational and behavioural norms also impede innovation and the cultural change necessary to effect the systemic and political shift to increased community participation in budgeting and priority setting. As innovative examples emerge, it can be hoped that local authority elected members and officers will increase in confidence to adapt and to adopt more open and inclusive ways of working. The sharing of such good practice models might usefully be further encouraged.

Without significant shifts in understanding of the relevance of equalities characteristics, and the structural constraints that arise from gender, disability, race and class discrimination, there is a significant risk that approaches to PB will not engage across the depth and diversity of local communities. It is imperative to invest in accessible and deliberative processes, challenge established perceptions and behaviours, and take the lived realities of people's lives as a starting point if participation in public service decision making are to be inclusive and transformative.

Local communities do not all have the same capacity or share the same interests in being engaged in decision making. Capacity can be developed by increasing knowledge, supporting participation and access to opportunities, and by clearly articulating the purpose and rationale for individuals and community members to give their time and effort. Building trust in public authorities and the belief in the commitment to listen and respond are central to improving community capacity. Ultimately, participation requires resources of time and finance from local authorities and other public sector partners to secure and

sustain local capacity and interest. As councils develop their approaches to 'mainstreaming' PB, factoring in participation to spend is an essential consideration. Currently, many councils regard participation as an additional cost or that funds allocated to participation are lost to core service budgets. This mindset represents one of the most significant challenges to mainstreaming PB. It requires clear guidance from Scottish Government ministers and officials that participation is both the objective and the process through which community empowerment is to be supported, and community engagement in decision making is to be operationalised.

This report has identified a wide range of positive practice and commitment alongside considerable uncertainties and vulnerabilities. In presenting the analytical framework of the "3T's" - transaction, transference, and transformation – the intention is to offer the Scottish Government and other stakeholders an approach to characterise their own interpretation and implementation of PB. In addition, the model can serve as a way to evaluate the extent to which current practice at national or local level is meeting the aspirations of the principles of PB as a concept, and in relation to the demands placed on it. Ongoing evaluation of the implementation of PB as a mechanism for community empowerment and tackling persistent inequalities should also continue to be part of practice, reflecting the current and future contexts of public finance and public services in Scotland.

# Appendix One

## Evaluation Activities 2015-2018

### Stage One: 2016

- Early interviews with 20 local authority representatives to capture current practice, understanding and definitions of PB in use among councils engaged in PB activity in 2015-2016. These interviews were mainly one-to-one, semi-structured interviews following a pre-formulated interview schedule. A small number of these interviews included multiple participants. Most of the councils had been engaged in or were currently engaged in training on PB funded by Scottish Government undertaken by PB Partners.
- Throughout 2016 the Glasgow Caledonian University (GCU) evaluation team attended 11 PB events to observe the design and formula of the events, gather fieldnotes through observations and informal conversations with participants and organisers, and documentary analysis of the bidding and award processes.
- In addition, the evaluation team attended a number of PB related events including:
  - National PB Working Group meeting.
  - Local PB Working Group meetings attended in Glasgow (x1), Edinburgh (x3). Attendance at national and international events and conferences: Community Planning conference: 17 May and EMPATIA conference at Brunel University: 2 June.

### Stage Two: 2017

- To gather primary data on the design, participation, bidding and award processes on PB events, the evaluation team attended 17 PB events across the 6 case study areas, including during evenings, day time, and at weekends.
- Semi-structured interviews were conducted with 18 local authorities in person or by phone, including a visit to the Western Isles for interviews with local authority officers and elected members and representatives of third sector organisations.
- Following events in the three Ayrshire local authority areas and in Glasgow, an online questionnaire was circulated via consent forms to the evaluation team and local authority officers. 31 responses were received.
- Feedback forms were distributed at PB events observed in Glasgow, Ayrshire, Fife, and Edinburgh to identify potential participants in the learning set and for follow up telephone interviews, and focus groups. Data from these activities was recorded as fieldnotes and informed the evidence and findings for the evaluation reports in 2017 and 2019.



- Consultation events with a range of stakeholders were organised by the GCU evaluation team included:
  - 1 March - the team facilitated a follow up discussion with Glasgow beneficiaries hosted at GCU.
  - 20 March - a workshop exchange session with partners and 'institutional' stakeholders from across the case study areas seeking to capture learning from recent and current experiences of local authority and other partner agencies and their perspectives on the PB processes developing to date.
- Throughout 2018, the GCU evaluation team attended a range of events to publicise the evaluation study and encourage participation later in 2017 and into 2018 to disseminate the findings of the Interim Report. These included:
  - Audit Scotland 'What about the Outcomes?', 6 February.
  - PB Network event, Glasgow, 22 February.
  - Equality and Human Rights Commission conference on participation and equalities, 28 February.
  - Interim Report presented at PB National Conference, 11 November 2017.

### **Stage Three: 2018**

- Following the publication of the Interim Report in November 2017, the GCU evaluation team organised a 'Sense Check' event on Interim Findings with local authority and other stakeholders, held at GCU 9 January 2018.
- Throughout 2018 a further round of semi-structured interviews was held with 16 officials and elected members, and 4 interviews with intermediaries and stakeholders to identify and capture learning from Stage One and earlier activities to implement PB, and to focus on capturing perspectives on and approaches to implementation of the 1% target announced in 2017.
- In addition, the GCU evaluation team attended a number of PB related events including:
  - Scottish Government/PB Network event on Theory of Change, 16 April.
  - Common Weal Ayr, 25 April.
  - PB Fest Equalities event (plus 2 organising meetings and one feedback session), 25 October.
  - PB National Conference, 10 December 2018, presentation of draft findings.
  - COSLA Elected Members Strategy Board meetings x 2.
  - Presentation at PSA Specialist Group on Deliberative Democracy, 6 September.

### **Action Research: 2016 - 2018**

- 5 Learning Set meetings.
- Focus Groups – Glasgow and Fife.

## References

Aberdeenshire Council. (2017). Participatory Budgeting: Delivering Better Outcomes.

Brun-Martos, Maria Isabel and Irvine Lapsley. (2017). Democracy, governmentality and transparency: participatory budgeting in action, *Public Management Review*, 19:7, 1006-1021.

Cabannes, Yves and Barbara Lipietz (2017). Revisiting the democratic promise of participatory budgeting in light of competing political, good governance and technocratic logics, *Environment & Urbanization*, 1-8.

Celis Karen and Liza M Mügge. (2018). Whose equality? Measuring group representation, *Politics*, 38 (2), 197-213.

Escobar, Oliver. (2018) Policy briefing – Mainstreaming participatory budgeting: What works in building foundations for a more participatory democracy? What Works Scotland. Available at: <http://whatworksscotland.ac.uk/publications/policy-briefing-mainstreaming-participatory-budgeting/>

Escobar, Oliver, with Fiona Garven, Chris Harkins, Kathleen Glazik, Simon Cameron, Ali Stoddart. (2018) Participatory Budgeting in Scotland: The interplay of public service reform, community empowerment and social justice, in *Hope for Democracy 30 years of Participatory Budgeting Worldwide*. Available at: <https://www.oficina.org.pt/hopefordemocracy.html#>

Fife Council. (2017). Participatory Budgeting in Fife. Available at: <https://know.fife.scot/wp-content/uploads/sites/44/2018/01/Fife-PB-Story.pdf>. Last accessed 10/01/2019.

Glasgow City Council. (2018). Participatory Budgeting (PB), Wellbeing, Empowerment, Community, and Citizen Engagement City Policy Committee. Item 7, 31 May 2018. Available at: <http://www.glasgow.gov.uk/CouncillorsandCommittees/viewSelectedDocument.asp?c=P62AFQDN2UZLT1Z381>. Last accessed 10/01/2019.

Goldfrank, B. (2007). The politics of deepening local democracy: decentralization, party institutionalization, and participation. *Comparative Politics*, 147-168.

Gomez, J., Insua, D.R. and Alfaro, C. (2016). A participatory budget model under uncertainty. *European Journal of Operational Research*, 249(1), pp.351-358.

Gonçalves, Sónia. (2014). The effects of participatory budgeting on municipal expenditures and infant mortality in Brazil. *World Development*, 53, 94-110.

Harkins, C., Moore, K. and Escobar, O. (2016). Review of 1st generation participatory budgeting in Scotland. Edinburgh: What Works Scotland.

Harkins, C. and Escobar, O. (2015). Participatory Budgeting in Scotland: An overview of strategic design choices and principles for effective delivery. Glasgow Centre for Population Health and What Works Scotland.

<http://whatworksscotland.ac.uk/publications/participatory-budgeting-in-scotland-an-overview-of-designchoices-and-principles/>

Harkins, C., Moore, K., & Escobar, O. (2016). Review of 1st Generation Participatory Budgeting in Scotland. What Works Scotland. <http://whatworksscotland.ac.uk/wp-content/uploads/2016/10/ReviewofFirstGenerationPBinScotland.pdf>

Hepple, Bob. (2014) Equality: The legal framework. Bloomsbury Publishing.

Lerner, Josh, and Donata Secondo. (2012). "By the people, for the people: Participatory budgeting from the bottom up in North America." Journal of Public Deliberation 8 (2), 2-11.

Lightbody, R. (2017). 'Hard to reach' or 'easy to ignore'? Promoting equality in community engagement. What Works Scotland. <http://whatworksscotland.ac.uk/wp-content/uploads/2017/12/WWSHardToReachOrEasyToIgnoreEvidenceReview.pdf>

O'Hagan, A., Hill O'Connor, C., MacRae, C., Broadhurst, J. & Teedon, P. (2017). Evaluating Participatory Budgeting Activity in Scotland - Interim Report Year 2. Scottish Government.

<https://www.gov.scot/binaries/content/documents/govscot/publications/research-and-analysis/2017/11/evaluating-participatory-budgeting-activity-scotland-interim-report-year-2/documents/00527483-pdf/00527483-pdf/govscot%3Adocument/00527483.pdf>

Scottish Government. (2016). "Grant making through Participatory Budgeting A 'How To' Guide for Community Led Organisations and community engagement workers."

Scottish Parliament Information Centre. Local Government Finance: Budget 2019-20 and provisional allocations to local authorities. Available at: <https://sp-bpr-en-prod-cdnep.azureedge.net/published/2018/12/19/Local-Government-Finance--Budget-2019-20-and-provisional-allocations-to-local-authorities/SB%2018-90.pdf>

Wampler, Brian. (2012). Participatory budgeting: Core principles and key impacts. Journal of Public Deliberation.

Western Isles Council. (2015):

1. Policy and Resources Committee: 11 February 2015. Available at: <https://www.cne-siar.gov.uk/Media/CommitteeArchive/2015/02-february/policy-and->

[resources/agendas/J%20Item%2010A%20-%20Participatory%20Budgeting.pdf](#).

Last accessed 10/01/2019.

2. Sustainable Development Committee: 4 February 2015. Participatory Budgeting Pilot – Youth Grants. Available at:

<https://www.cne-siar.gov.uk/Media/CommitteeArchive/2015/02-february/sustainable/agendas/E%20Item%205A%20Participatory%20Budgeting%20Pilot%20-%20Youth%20Grants.pdf>. Last accessed 10/01/2019.



© Crown copyright 2019



This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit [nationalarchives.gov.uk/doc/open-government-licence/version/3](https://nationalarchives.gov.uk/doc/open-government-licence/version/3) or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at [www.gov.scot](http://www.gov.scot)

Any enquiries regarding this publication should be sent to us at  
The Scottish Government  
St Andrew's House  
Edinburgh  
EH1 3DG

ISBN: 978-1-78781-834-7 (web only)

Published by The Scottish Government, May 2019

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA  
PPDAS583970 (05/19)