
NORTH AYRSHIRE COUNCIL

21 March 2024

Audit and Scrutiny Committee

Title: Participatory Budgeting

Purpose: To update the Audit and Scrutiny Committee on the ongoing development of small grants Participatory Budgeting.

Recommendation: That the Audit and Scrutiny Committee:

- a) Reviews the adaptations made to the small grants Participatory Budgeting process in response to feedback; and
- b) Notes the progress made in developing the small grants programme within localities.

1. Executive Summary

- 1.1 The Community Empowerment (Scotland) Act 2015, Community Wealth Building approaches and North Ayrshire Council's own aspirations all support the greater involvement of local people in democratic and community activities, increased participation in local financial decision-making and, in particular, the increased use of participatory budgeting (PB) approaches.
- 1.2 Participatory budgeting is a democratic way for people to have a direct say on how public money is spent. A PB process gives people the opportunity to identify and discuss what matters to them in their communities and to vote on their priorities. North Ayrshire Council's PB approaches have been recognised as sector-leading, with successful engagement across small grant-making, thematic and mainstream PB, using different approaches. PB in North Ayrshire is now mainstreamed into service design and delivery, with community, elected member and partner support.
- 1.3 An update was provided to the Audit and Scrutiny Committee in September 2022 regarding the engagement methods used for PB across North Ayrshire. The Committee agreed to approve the recommended engagement methods for use in future Participatory Budgeting events, as set out in the report.
- 1.4 A request has been made for a further update detailing the progress around the locality based small grants PB processes in particular, and changes made to these processes in response to feedback provided by community members regarding previous rounds.

2. Background

- 2.1 The Community Empowerment (Scotland) Act 2015, Community Wealth Building and the Scottish Government's Open Government Action Plan all support the greater involvement of local people in democratic and community activities, increased participation in local financial decision-making and, in particular, the increased use of participatory budgeting (PB) approaches.
- 2.2 Locality Partnerships have been pivotal to North Ayrshire's success in moving local decision-making into communities. They have each established their own priorities in relation to addressing local inequalities. Locality small grants PB has been in place successfully for several years, helping support public understanding and confidence in the implementation of mainstream PB within the Council's budgets. Mainstream PB can play a central role in collectively defining services which meet the changed (and changing) needs of communities.
- 2.3 The Council's vision for PB is embedded in the vision for radical, participatory democracy in which local people take decisions on the things which affect their lives. It is one of a suite of tools which are used within North Ayrshire to encourage and support participatory democracy. The small grants PB process puts the decision making as to how the funds are spend locally directly into the hands of community members, with local groups applying for funding of up to £1,000 and community members voting to identify which are most important to them and should receive the funding.
- 2.4 There are many benefits to the Council and the communities it serves in participatory methods of working. These include:
- Greater involvement in decision making across the Council;
 - Improved transparency of decision making;
 - The opportunity for a wider range of groups to be involved;
 - Improved trust between Council & communities;
 - Increased democratic participation;
 - A greater sense of ownership and control; and
 - Real devolved power to Localities.
- 2.5 North Ayrshire Council has long attracted national recognition for its sector-leading work in PB, as noted in the 2020 Best Value Audit Report. The approach is recognised by CoSLA, the Local Governance Review Team and the Scottish Government as good practice and has previously received recognition nationally as a finalist in awards. North Ayrshire Council's Officers play an active role in national PB Working Groups and are regarded as a source of expertise and advise by colleagues nationally.
- 2.6 PB events have to strike a balance between tight deadlines, available resources, wide participation and workload. PB is one of a range of tools used to support participation and community empowerment, and the Locality Partnerships and Locality CLD Teams, and the relationships they build within communities, are key to its success. The support of community members in reviewing applications is an invaluable part of the process. We realise that officers, community reviewers and community groups all have limited time and resources available to them and a key consideration is ensuring the process is as easy as possible for all involved, while remaining robust in nature, in order to make the most of times and resources.

- 2.7 With regard to the small grants programme, public voting is one characteristic, however the ability of local groups to bring forward their projects and to influence the decision-making is a central component of the process. In the most recent 2023/24 cycle, 236 applications were made, with 184 projects receiving £198, 377 in total and 9,664 votes being cast.
- 2.8 When designing this cycle, an intentional and focussed effort was made to ensure that local people found it as accessible as possible through streamlined processes, simplified language, new events and a fully hybrid experience that opened PB to a diverse range of participants. The hybrid experience means that those who can are able to use the online voting system provided through CONSUL, while recognising that not all community members are able or comfortable making use of online tools and ensuring an in person voting option through libraries is available to them.
- 2.9 The process used was developed in response to the feedback received from the 2022/23 cycle. The success of the 2023/24 cycle has been recognised by both CoSLA and the Minister for Community Wealth and Public Finance as a national example of good practice in co-design and the use of digital platforms to promote participation.
- 2.10 A full report about the process and the learning has been produced and this is attached as Appendix 1 for consideration. The key adaptations made to the process as a result of the previous feedback are as follows:

Issue	You Said	We Did
In-person opportunities lost during COVID-19 pandemic	NAC needs to “raise awareness of the PB process, of the projects looking for funding and also offer the networking opportunity for partnership working. It was also clear from the applications that some had difficulty with the process and this would be an opportunity to assist with this”	Developed the concept of PB launch events using feedback from 2022-23 round and community engagement responses, with one held in each locality at the start of the application process. The events created space for support and advice from NAC staff, in addition to networking opportunities (e.g. for partnership bids to the UKSPF PB).
Funding criteria	Criteria needs to be reviewed to identify opportunities to tighten the language and make the processes fairer for all. For example, “multiple groups from one place are applying.”	Drafted criteria based on 2022-23 feedback and presented for comment and further recommendations at Community Engagement Event. Changes made based on discussion and approved by Senior Managers for 2023-24 round.
Application process	Disproportionately long and complex given the size of grant available. Potential barrier to applicants.	Application redesigned for CONSUL, streamlining from 25 to 11 questions and making language more accessible. Ability to save and edit introduced.

Approving applications progressing to public vote	“Scoring mechanism required to be reviewed...ambiguous and making the low compliance score very easy to obtain”. Shortlisting panels also under significant pressure from paperwork.	Complete redesign resulting in applications being reviewed against criteria (either eligible or ineligible to proceed) rather than scoring, streamlining paperwork. Volunteers renamed ‘community reviewers’ to better reflect the role they played in the process and attract new faces.
Logging in to CONSUL	Default option of MyGov.Scot was too confusing and complicated and posed a major barrier during the early voting in the 2022-23 round	Created a local login for CONSUL in response to issues raised in 2022-23 round. Retained this option and introduced Facebook and Google login for 2023-24 round, with no significant issues raised in the 2023-24 process.

2.11 It is vital to note that PB processes are by their nature an iterative process and will continue to be refined in response to feedback as they progress. The changes which have been made in the 2023- 24 round have been received positively, with no continued or further issues raised since the 2022-23 round.

3. Proposals

3.1

That the Audit and Scrutiny Committee:

- a) Reviews the adaptations made to the small grants Participatory Budgeting process in response to feedback; and
- b) Notes the progress made in the small grants programme within localities.

4. Implications/Socio-economic Duty

Financial

4.1 PB funding is allocated within existing resources.

Human Resources

4.2 PB is resource-intensive and PB development has to be balanced with staff capacity and resources within local groups and organisations to engage with PB.

Legal

4.3 None.

Equality/Socio-economic

4.4 The purpose of PB is to increase community involvement in local decision-making. North Ayrshire Council has worked with Locality Partnerships and community members to develop its PB approach which will reduce inequalities, increase community cohesion and advance community empowerment.

Environmental and Sustainability

4.5 None.

Key Priorities

4.6 Participatory Budgeting supports the North Ayrshire Council Plan strategic aims:

- To transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people.
- We will have active, inclusive and resilient communities.
- A Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities.

Community Wealth Building

4.7 PB increases democratic ownership of local financial decision-making and allocation of resources.

5. Consultation

5.1 Co-production is at the heart of our relationship with communities. Development of PB processes as outlined within this paper has been created in line with ongoing feedback from community members, groups and staff as to how the process could be improved and streamlined. Continued engagement and evaluation will take place in future to ensure processes remain as accessible as possible.

Audrey Sutton
Executive Director of Communities and Education

For further information please contact **Rhonda Leith, Head of Connected Communities**, on **01294 324415**.

Background Papers

Participation Budgeting Report 2023-24



Shaping
North Ayrshire

Participatory Budgeting



Ideas are generated about how a budget should be spent



People vote for their priorities



The projects with the most votes gets funded



North Ayrshire
Community Planning Partnership



North Ayrshire Council
Councilwide Services for Ayrshire

Participatory Budgeting 2023-24: Review



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Introduction

This review has been undertaken by the Capacity and Empowerment Officer and the Community Economic Development Officer to record the 2023-24 Participatory Budgeting (PB) cycle and provide recommendations for the future.



Executive Summary

Participatory Budgeting (PB) has a long history at North Ayrshire Council, which has been nationally recognised as a leader in designing and implementing engaging and impactful PB processes.

The 2023-24 cycle distributed £198,377 of funding through a community-driven decision making process that gave North Ayrshire residents the say on the projects and priorities that mattered most to them.

Of 236 applications submitted across Locality, Youth and the new UK Shared Prosperity Fund (UKSPF) PB, a total of 184 projects received funding. 9,664 votes were cast online, in libraries and in schools across North Ayrshire.

Local perspectives and experiences were central to the 2023-24 cycle, with feedback and recommendations from past volunteers and participants shaping the process from beginning to end. An intentional and focussed effort was made on ensuring that local people could see themselves in the new cycle through streamlined processes, simplified language, new events and a fully hybrid experience that opened PB to a diverse range of participants.

The success of the cycle has been recognised by both COSLA and the Minister for Community Wealth and Public Finance as a national example of good practice in co-design and the use of digital platforms to promote participation.

Background

North Ayrshire Council has built a decade of experience of delivering high quality, innovative PB opportunities for local people. This is often through the provision of small-grant PB processes where Third Sector organisations can apply for a small share of funding (around £1,000) to support projects.

A total of £198,377 was available for the 2023-24 PB cycle:

- £97,377 from the central PB fund
- £20,000 from the Health and Social Care Partnership
- £50,000 ringfenced for youth projects
- £31,000 from the UK Shared Prosperity Fund (UKSPF)

In the 2023-24 round, Locality PB was run in parallel with Youth PB, streamlining the administration and centralising PB for communities. Locality and Youth PB were open to applications of up to £1,000. The allocation of funding from the UKSPF award enabled the creation of a new 'pot', opened to partnership applications from across North Ayrshire for up to £5,000.

The split of funding for Locality and Youth PB is calculated based on population in each area:

Locality	Locality PB Allocation	Youth PB Allocation
Arran	£8,979	£4,971
Garnock Valley	£15,232	£8,433
Irvine	£29,841	£16,520
Kilwinning	£11,978	£6,631
North Coast and Cumbrae	£17,621	£9,755
Three Towns	£24,725	£13,689

Reshaping PB

The 2023-24 PB was designed based on the learning and feedback gathered during the previous round, which formed the basis for the redesign of the process. This included the use of CONSUL to host all applications to provide better transparency and visibility; an amended set of criteria; a redesigned application review process and the continuation of a fully hybrid way of working.



Three Towns PB
Launch Event, 2023

A Community Engagement Event was held in June, with over 20 in attendance including previous PB volunteers and participants who signed up through our social media channels. A small number of North Ayrshire Council staff who found the volunteer opportunity via News In Brief also participated. Those attending were key to guiding and shaping decisions about the look and feel of the new cycle.

Launch events were held in each locality to provide support for applicants and space to network and bring people together post-pandemic. The Capacity and Empowerment Team provided 1-2-1 support on the application form, voting and digital access if required. As a result, a significant improvement in application quality could be seen from those who attended the events.

Following the engagement sessions and launch events, new volunteers were recruited as part of the shift from 'shortlisting panels' to 'community reviewers', ensuring local participation in checking applications before public voting began. A new training session was developed, along with refreshed guidance and review packs based on the recommendations of previous participants who had found the time invested in scoring to be disproportionate to the amount being applied for. By shifting from 'scoring' to 'reviewing eligibility against criteria', the transparency of the process was also increased for applicants.

To ensure access to everyone, parallel offline processes were developed for each stage of the PB, including paper applications available from libraries or by request, and a fully offline voting process also offered in libraries.

APPLIED
236
SUBMITTED

Only 1% of applications were submitted offline in the 2023-24 round!
Many groups typically seen to be at risk of digital exclusion, such as older people's groups, were able to complete the application online with support, building their IT confidence and skills.

How Did It Go?

A total of 9,664 votes were cast by local people, who made the decision on the 184 projects that benefitted from PB funding. Any underspend from Locality PB funds was transferred into the Youth PB fund for that area to boost the number of Youth projects supported, as recommended by the community reviewers for this round.

With the addition of UKSPF PB funding there was opportunity for partnership projects to benefit from up to £5,000 each, encouraging collaboration and impact at a larger scale than would traditionally be expected through small-grant PB. In a challenging external funding landscape, this also gives local organisations experience in partnership working that can be used in future applications, building their capacity and potential to secure further funds.

One of the outcomes of running Locality and Youth PB together was a reduction in the number of projects submitted to Locality PB overall, as eligible projects could only apply to one fund. This suggests that the previous approach of hosting Locality and Youth PB at different times of year has 'double funded' several projects, potentially reducing the overall number of initiatives being successful through PB. The issue of potential 'double funding' was raised by participants in the previous round, who were concerned that this limited the opportunities for smaller, less well-known projects to secure funding through PB, particularly where larger organisations running multiple projects could mobilise a higher number of voters to support them. This can lead to disengagement with the process and a feeling that PB is inherently unfair on new groups or ideas. Future PB rounds should continue to look at ways to engage smaller, grassroots organisations while balancing the diverse needs and aspirations of North Ayrshire's Third Sector in the design of PB processes.

Funding awards were distributed to successful organisations from mid-December. In previous rounds of PB, winners were not asked for a formal report on spend until a year later, but moving forwards short progress updates are expected on a quarterly basis. This aims to better capture the progress of projects in 'real time', showing communities how the initiatives they supported are evolving and making a difference. This is the first step towards broadening the understanding of PB beyond 'funding' and demonstrate the power that local people have to decide what happens in their community in a tangible way.

You Said, We Did: A Co-Design Approach to PB

Issue	You Said	We Did
In-person opportunities lost during COVID-19 pandemic	NAC needs to “raise awareness of the PB process, of the projects looking for funding and also offer the networking opportunity for partnership working. It was also clear from the applications that some had difficulty with the process and this would be an opportunity to assist with this”	Developed the concept of PB launch events using feedback from 2022-23 round and community engagement responses, with one held in each locality at the start of the application process. The events created space for support and advice from NAC staff, in addition to networking opportunities (e.g. for partnership bids to the UKSPF PB).
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Reflections and Recommendations

1. The 2023-24 PB represents significant efforts to better design and run a process that meets the expectations and aspirations of North Ayrshire residents and build trust in the Council. All changes made can be traced back to feedback collected from 2022 onwards, with local people at the centre of the decisions and changes made.
2. The new UKSPF PB proved extremely popular, with 21 eligible projects competing to secure a share of £30,000. This demonstrates the interest in larger pots of funding to be made available to local projects through PB, and the potential to scale up the process for larger amounts.
3. The anecdotal feedback from applicants about the changes made to the application form has been overwhelmingly positive, particularly the ability to save and return to in-progress applications, removing the pressure of 'getting it all right first time'. Participants also appreciated being able to see the other projects in their area and find out what was going on in North Ayrshire, as all applications were publicly viewable throughout the process.
4. The investment of staff time in monitoring, supporting and progressing PB is significant, even where a digital platform can remove significant volumes of paperwork. High quality, responsive and dedicated administrative support is crucial to manage the granular details of a PB process, which can have significant impacts if missed. Adequately resourcing the support required to run PB will always be a challenge, but the structures and learning created during the 2023-24 round in particular set up future staff for success as far as possible. Handover packs and templates have been made available centrally for staff to access in future.
5. Further focus on reporting from grant winners is required, and early discussions with COSLA indicate that CONSUL is being developed to allow applicants to provide project updates on the platform directly. This would greatly increase the transparency of PB and provide the public with 'real time' updates about the projects they supported.
6. Additional time was required to create high quality content for social media and local press linked to PB, such as capturing success stories from previous rounds and collating images from past winners. Staff working on future cycles should begin to identify potential case studies as early as possible to create engaging imagery promoting PB to encourage participation.

Reflections and Recommendations: COSLA Perspective

“North Ayrshire Council has now run two rounds of Participatory Budgeting using the digital engagement software CONSUL which is supported in Scotland by COSLA.

The team at North Ayrshire has been ambitious in its use of the CONSUL software enabling multi locality PB processes to be carried out online. One of the strengths of the North Ayrshire PB programme has been the engagement with the community in designing the processes, providing alternative participation channels for those not able to take part digitally and in responding to feedback from users of the service. It is also worth noting that by using a digital process the staff were able to deploy their limited staff resource to support and promote engagement rather than on administering a paper-based system.

As a result, North Ayrshire now has a transparent, online repository of project applications which can be analysed to demonstrate community priorities and which can be further updated to maintain a public record not only of the projects but also the impact and outcomes of those projects.

The key staff involved have developed a high degree of expertise in running digital PB processes and this could be further exploited by other service areas within the council both for PB and other forms of engagement. This is already being demonstrated through good work being done in Arts & Culture.

At COSLA we have been happy to share North Ayrshire’s work as an example of good practice in this area.”

John Munro. PB Digital Participation Manager, COSLA

The CONSUL platform acts as a database of community initiatives, providing the Council with a snapshot of the needs and priorities of local people, which can in turn shape service delivery.

Evidence of initiatives such as the Spike Wheat Scots’ ‘Breaking Bread, Building Bonds: A Syrian Culinary Journey’ and BABCA’s ‘Meet and Greet’ for New Scots showcase cross-cultural engagement and community building, described as ‘political gold dust’ by COSLA as working examples of integration and inclusion. The visibility of these successes through a platform like CONSUL demonstrates the value of an online presence to showcase the work of North Ayrshire’s community groups.



Reflections and Recommendations: Recognition of North Ayrshire's 2023-24 PB by Mr Tom Arthur, Minister for Community Wealth and Public Finance

“1% Mainstream PB Target: COSLA are compiling this year’s 1% returns and early indications suggest these will be positive. COSLA provided examples of the good work local authorities are doing with PB, such as East Ayrshire celebrating 10 years of inspiring communities; Aberdeen, Angus, Shetland and the Borders embedding PB into their budget process; Glasgow, East Lothian and Perth and Kinross’ work using CONSUL and highlighted North Ayrshire’s co-production with the community on how to run PB processes. COSLA officials also noted specific projects in Arran, where PB funding was used for a kids book festival and in Kilwinning, where Syrian New Scots received PB funding to celebrate their background and cuisines. The Minister was impressed with this progress and commented he would be interested to see how PB develops when it becomes more recognised in communities.

Notes of Scottish Government and COSLA Participatory Budgeting Meeting 12:30 – 13:30, 6 December 2023

Recognition of our sector-leading approach to meaningfully and intentionally shape participatory processes in partnership with our community.

Our challenge moving forwards is to be more ambitious about what PB means for North Ayrshire, revisiting discussions about mainstreaming and wider participative democratic processes to encourage local people to get involved in the decisions that affect their communities. Safeguarding high quality PB processes and demonstrating that a vote really makes a difference is central to creating the space where engaged and informed citizens can continue to shape their future.

