Participatory Budgeting within Social Housing
Ideas for better engaging with tenants and residents groups

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Acknowledgements

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About the authors

Through PB Partners Jez Hall and Alan Budge have been promoting the role of participatory budgeting in Scotland since 2014, and more widely for over 15 years. PB Partners is a not for profit consultancy coordinated by Shared Future CIC. Find out more about PB Partners at www.pbppartners.org.uk

About Shared Future

We are a community interest company primarily serving the North West of England, and with associates based across the UK.

Our aim is to provide an excellent service that makes a difference to communities and individuals and works towards a fairer, more equal society.

Through our commitment to creating a fairer and more sustainable world, we decided to set up Shared Future in 2009. We’ve built a team of experienced consultants and practitioners with a diverse range of skills. We work together on worthwhile and stimulating projects that reflect our personal values.

www.sharedfuturecic.org.uk

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Summary

This report summarises the learning from many years of undertaking Participatory Budgeting (PB) within social housing, whether it be Housing Associations, Council Housing, Cooperative or Tenant management organisations.

PB Partners have supported a wide range of PB processes focussed on Housing Associations and Neighbourhood Management, including most of the early pilots in England. Such as within the Acorns Neighbourhood Management project in Lincolnshire shown on the front of this report.

More recently we have been working with TPAS Scotland, the Tenant Participation Advisory Service for Scotland. This has included a number of masterclasses and learning events. This work, as well as our engagement with individual local Housing Associations in Scotland, Northern Ireland, England and Wales, and international experiences we have researched has led to this briefing.

We believe it will be a useful guide and introduction for all social housing providers wishing to engage with tenants and their wider community through the best practice in PB. If they wish to act on this report they can approach PB Partners for further help and advice.

Housing Associations, Cooperatives, Tenant Management Organisations and Arm’s Length Management Organisations are uniquely well placed to initiate and lead PB processes, as they often already have well structured tenant engagement processes, and much of their income comes directly from rents. PB is an ideal way to take that engagement further, and through PB respond to the interests, concerns and needs of their residents and the wider community.

NB: Images used in this report are taken from a variety of PB programmes and do not relate to the accompanying text.
Why use participatory budgeting

Participatory Budgeting (PB) originated in Brazil in the 1980s, spread worldwide and is a method of giving local people the opportunity to decide where public money is spent in their communities. It occurs across the UK.

A Brazilian resident involved in PB in its early development said

“If it feels like we’ve decided, it’s PB. If it feels like someone else has decided, it isn’t.”

This core principle, of residents having the final say on the allocation of resources is key to PB, regardless of scale. This explains why it is so relevant in the field of social housing, as people naturally feel they want to have influence over where they live, and for which they pay rent.

It is also important to recognise that PB should be seen as an effective community engagement tool, rather than merely a different means of allocating resources.

In Scotland, all 32 Local Authority areas are engaged in some form of PB. The November 2017 announced agreement between the Scottish Government and Convention of Scottish Local Authorities (COSLA) was that there should be an aspiration to allocate at least 1% of LA funding through PB by 2021. This demonstrates a strategic commitment to the ongoing development of PB across Scotland.

The benefits that a PB approach brings, apart from an efficient allocation of resources, based on the principle that residents are the ‘experts’ in their communities, are to be found within:

- Increasing trust between residents and service providers,
- A genuine sense of influence by individuals living within those communities,
- greater awareness of the constraints within budget-setting and spending processes,
- fostering a sense of shared responsibility for the wellbeing of the places in which people live, work and study.

A brief background on PB

PB has been rapidly growing worldwide and operates at many different scales, from very small budgets within villages or neighbourhoods, to multi-million pound citywide and even national processes.

For example in 2018 in Dundee 11,000+ residents voted how to spend £1.2 million on community infrastructure, such as parks, playgrounds and transport routes.

Whilst not new in the UK, with examples stretching back 15 years, the last 4 years (e.g. 2015 onwards) have seen PB really take off in Scotland, with all 32 local authorities in Scotland committing to spend 1% of their central government allocated budgets through PB. That equates to £100m per year across Scotland or an average of £3m per council, and this could grow significantly as PB starts to influence other funds.

A considerable body of expertise has grown up on how to do PB over the last 30 years, and there is a vibrant international academic and activist network sharing often very different models and approaches. There is not one defined model, as PB must always be contextualised to the local conditions, but a set common principles have been emerging.

Defining characteristics of a well functioning PB process are:

1) Citizens direct public investments.  
2) Measurable change (it’s not consultation).  
3) Citizens can shape the rules governing PB.  
4) PB includes spaces for deliberation.  
5) PB redistributes resource based on need.  
6) Enables citizens to monitor spending.  
7) It is repeated (e.g. on an annual basis).

At its heart PB is fundamentally concerned with creating social capital and common purpose through connecting people, and then ensuring they have influence over what happens in their community.
Background to PB and Housing

Background to PB in Social Housing

The 2001 Housing Act included a requirement for annual consultations with Social Housing tenants regarding the setting of rent levels.

Many social housing landlords additionally offer ways for tenants to become engaged in the form of tenants and residents associations or other types of forums.

They may also reserve places on boards or other governance structures for tenant representatives.

This ‘offer’ is often met with limited success, as most residents often don’t or won’t engage, perhaps feeling that they might be perceived as being, at least in part, responsible for their own rent increases. Evidence of this is within the Scottish Housing Regulator’s thematic study on rent increase consultation, produced in November 2016.¹

Historically, in addition to talking about rents, common landscaped areas or other facilities, such as community centres and play areas, might be partly paid for from the Housing Revenue (rentals received) Account (HRA).

This has increasingly become more complicated with the appearance of growing numbers of owner occupiers under right to buy schemes, only some of whom may contribute towards a service charge for external areas.

CASE STUDY 1: LINKSFIELD, ABERDEEN 2016-17

As part of Aberdeen City’s ‘U Decide’ PB programme, residents of Three Aberdeen Multi-storeys voted on 100k spend from refurbishment budgets. Occupiers of Promenade, Regent and Linksfield Court were asked to vote on their top 3 priorities for improving their buildings and surrounding area. These priority interventions had been previously identified at a series of ‘open day’ consultation events. Almost 50% of 153 households took part, either through attendance at bespoke ‘voting events’ or through a postal vote.

Options approved:

- Floor replacement of buildings’ common areas
- Deep clean of each block
- Painting of indoor common areas.

Other options that attracted some support included providing fob access to the rear doors of the blocks and installation of planters and benches outside the buildings. Work on the priorities identified by the residents would take precedence but the other, ‘less popular’ options would also form part of refurbishment plans in future. Jenny Laing, Leader, Aberdeen City Council said of the process:

‘The (PB) funding has allowed our tenants and residents to address the issues most important to them. All our PB projects have generated a great deal of interest in local areas where engagement with the Council has previously been low’.

As well as the positive outcomes referred to by Cllr Laing, above, other for benefits included that many residents had been unaware of the shared spaces and community flat in the ground floor of each block prior to involvement in the U Decide exercise.

There had been two instances of tenants posting negative blogs regarding the Council, often specifically about lack of influence in decisions affecting their homes: They subsequently became enthusiastic advocates of the U Decide PB programme.
Although it is a mixed picture, normally private householders contribute to community facilities only through their Council Tax contributions. Which effectively means tenants can feel they are ‘paying twice’ for these facilities.

Therefore in 2017 the Scottish Housing Regulator looked to make consultation opportunities more real and relevant to tenants. That is, not simply a question of considerations around ‘shall we raise the rent’, and if so, ‘by how much’.

This trend towards greater engagement and consultation is mirrored across the UK Housing sector. But not always without some very real tensions, and too often in a reactive way, when something goes tragically wrong. The Grenfell Tower fire has exposed how tenants living within communal or social housing don’t always feel their concerns are being responded to by their landlords or by government.

Whilst an extreme example, Grenfell is sadly not a unique one. But it has generated a new Social Housing Green Paper for England and Wales, which includes five core themes:

- **Tackling stigma and celebrating thriving communities;**
- **Expanding supply and supporting home ownership;**
- **Effective resolution of complaints;**
- **Empowering residents and strengthening the regulator;**
- **Ensuring homes are safe and decent.**

This paper argues that PB helps build trust and enables better conversations across many of these themes. Tenants need to be given genuine choices as to what existing rents are spent on, what is ‘affordable’ and also how any increases might be spent.

That helps to ensure the places tenants and owner occupiers live are safe, decent and affordable, and wherever possible provides tenants with opportunities to learn, work and play in ways that are available to all.

Whilst, in common with other manifestations of PB, the legal responsibility for managing a budget, such as the Housing Revenue Account ultimately rests with Elected Members, or the board of the social landlord, in practice many types of decision-making can be devolved to tenants.

PB can improve relationships between social housing tenants and their landlord, empower residents and connect them to their neighbours.

Participatory Budgeting is a mechanism which enables tenants to have direct decision-making powers of a proportion of a social housing budget.

As with PB in a more general Local Authority or Neighbourhood management context, the benefits of this approach cut both ways.

The quality of the relationship between housing providers and residents would be expected to improve, moving away from a ‘complaints culture’ to a generally more collaborative decision-making process.
In summary, given the current policy context, both nationally around community empowerment and specifically within housing, PB would seem to be a ‘natural fit’ for allocating resources:

- Budgets, whilst always in flux (and currently often being reduced) are available on an ongoing, annual basis. PB initiatives have often petered out when funding streams have changed/disappeared.

- The ‘target audience’ for PB in a social housing context is relatively easy to define, compared with, for example, some neighbourhood programmes where geographical or community boundaries have been fuzzy, at best.

- Residents’ interest in, and commitment to, improving their domestic situation is often higher, and more widespread than for more generic community initiatives.

- Implementing first a small grant PB, and then moving onto a 1% commitment (where a defined capital or revenue ‘mainstream’ budget is decided by tenants), before opening up wider resources, offers a practical pathway to adopting PB at scale.

- There is a genuine opportunity for Housing Associations to take an independent lead on this initiative, without being ‘led’ by Local Authority priorities.

CASE STUDY 2: FIFE RENT CONSULTATIONS, 2017-2019

Within Scotland one of the biggest PB style processes, that started to explore mainstream decisions (that is, core budgets, rather than participation funds) has been in Fife, starting in 2017.

Below we describe the features of their very different process, which meant looking at the issue of rent increases.

A consultation offered tenants five choices, ranging from maintaining existing rent levels (adjusted for increase in Retail Price index [RPI]) to a 2% increase [plus RPI].

The ‘2%’ option offered:

- Even greater choice of services offered to tenants;
- Current housing services would be maintained;
- Planned improvements to accelerate the Energy Efficiency Standard for Social Housing;
- Council would be able to increase the level of house building after 2019.

The 5 options were then reduced to three options, based on resident feedback. These options were then costed-up and matched to suggested levels of rent increase.

That is, the more expensive options would involve higher levels of rent increases. This was followed in 2018-19 with a further rent consultation.

Whilst the final decision rested with the Council, and the exercise wasn’t pure PB according to the seven characteristics of PB outlined earlier in this report, it reflected a shift in attitude within Fife. A shift which had developed over a number of years through multiple different PB processes. It is believed that Fife’s ‘participatory culture’ positively influenced the decision by Fife Council to offer residents a wider range of budgeting setting options from which to choose than in previous years.
In the UK over the last 10 years many PB programmes have already been delivered successfully.

Such as in 2012, via Trafford Housing, in Greater Manchester. £29,000 was allocated by residents for estate improvements from the housing fund.

One of the earliest was in 2009. The Redcar Coast and Country Housing PB in 2009 made £60,000 available from Coast and Country Housing’s estate improvement fund. Previously this fund had been allocated by a small panel of residents.

Around 120 residents attended the voting day, and 20 projects of up to £5,000 per project were funded. The projects ranged from a young peoples’ allotment to a solar lighting scheme.

Iain Sim, Coast & Country Chief Executive said at the time:

“When people have a real say and control over what goes on in their community they take more care of and have more pride in their neighbourhoods”.

Similar processes were used by Salix Housing in Salford from 2010 onward. Since it began the initiative has channelled £157,000 into the local community and supported 75 local projects. Salix residents could apply for funding between £250 – £4,000.

They could apply individually, as part of a group of residents or leaseholders, or as part of a locally recognised community group.

In 2015 there was £35,000 available. £3,000 was set aside especially for young people (aged 11 – 24). Youth bids could be made for sums of between £50 – £500.

These and many other processes are listed on the PB Network website.

Within the case studies in this report, we offer examples of the flexibility, and opportunity for PB in Social Housing.

More examples are emerging all the time, especially within Scotland, but also in England, Wales and Northern Ireland.
**CASE STUDY 3: ROCHDALE BOROUGHWIDE HOUSING**

In 2012-13 Rochdale Boroughwide Housing RBH made available a total of £41,000 to be distributed across relevant neighbourhoods, on a proportional formula adjusted for housing per neighbourhood.

The aim of the PB process was to link applications to Local Action Plans, and so the criteria ensured successful bidders would be providing services which would address themes already identified through those plans. That is, to ‘deliver safe, secure, attractive neighbourhoods and support friendly and inclusive communities’.

**Phase 1: Single neighbourhood exercise.** It was agreed to begin the process in a ‘small scale’ way: one neighbourhood, Alkrington, was nominated to hold a ‘stand alone’ PB event, distributing £3,500 (as per the funding formula agreed) The steering group, comprising of local tenants and officers (with support from PB Partners) designed and delivered an event held in November 2012. Whilst the event was successful in terms of the funds being allocated to worthwhile projects, as well as there being a positive atmosphere on the day, the event suffered from a lack of bidders into the pot, and, it was felt, a consequent poor turnout of voters. Projects bidding for funds tend to bring support with them. It was felt in hindsight that a ‘cap’ of £500 per project limited the number of more established organisations prepared to make a bid for a relatively small sum of money.

**Phase 2: Preparation and planning for a multi-neighbourhood event:** Following the Alkrington ‘single neighbourhood’ initiative, a new steering group was convened, comprising of tenants from all the neighbourhoods including Alkrington, who provided valuable and enthusiastic input based on their earlier experience. They were supported by RBH staff, and again with facilitation support from PB partners.

This group met on a regular basis in the spring of 2013 – its remit to decide on what basis to allocate the remaining funds, and to plan the process. Throughout, the decisions of the group as a whole were sought, and respected. A powerful example of how PB goes beyond ‘voting on money’, and becomes about ownership of process.

**Phase 3: The decision day voting event:** This was held on the 9th March 2013, at Hopwood Hall, a centrally located venue. Over 80 people attended the event, which was well planned and delivered – reflecting the high quality input of the RBH staff, working to deliver on the remit agreed by the steering group. 22 of the 25 projects received funding either funded full or in part.

People seemed content to listen to all the presentations, even though they were by definition often from other neighbourhoods. This process in fact provided the opportunity for tenants to interact across areas, and for organisations to begin to make links with each other, with obvious knock-on benefits for future service delivery.

It was also found useful to have the event filmed, to capture the genuinely warm atmosphere in the day, and provide visual and verbal ‘evidence’ of the day’s success. Of 46 people who completed the evaluation form 43 said they thought this a good way to allocate funding.

RBH gained experience of delivering a PB programme at a single and multi-neighbourhood level, and developed the ‘in-house’ expertise to develop the process further.

Both processes were characterised by a shared willingness to allow tenants to play a genuine role in decision-making throughout, which isn’t, by any means, always the case and demonstrated a mature grasp of the underlying PB ethos of community leadership and design. The steering groups also efficiently planned and delivered both processes, showing effective practical partnership working between tenants and officers.
Taking PB in Housing Forward

Scottish Learning Events

There were a series of workshops running between 2016 and 2018 across Scotland, facilitated by PB Partners in conjunction with TPAS Scotland.

Attendees ranging from local Tenants’ representatives to Housing professionals, Council officers and Elected members.

Participants were asked to consider options for PB within a social housing context:

Participants at the events identified:

- The need for deliberative events to develop options – rather than Y/N questions regarding rent increases.
- Holding rents and services open days – On the basis there was more possibility of voting for rent increases if there is better access to information on services, options and costings.
- Look at budgets relating to planned maintenance investments, so residents can make more strategic interventions.
- New Builds: residents are charged a service charge (but the builder is responsible for yr 1) so that surplus might go into PB? A pot of money might be available for landscaping work, for example, with more resident ownership of those kinds of decisions.
- Using a range of different budgets, for example environmental budgets. These could be pooled with a percentage of each budget going into PB. With spin-off benefits of more integrated departmental working and greater knowledge base of issues and costs among residents.
- Possibility of more and earlier piloting exercises with existing funds, in the range of £5,000 upwards to create interest and momentum.
- Need for business planning sessions with Tenants’ Management committees to develop the PB potential alongside internal discussion linked to future strategic development.

Benefits of adopting a PB approach

- Empowerment. People are valued
- Engagement and sense of involvement
- Peoples’ priorities recognised
- Community can set their own criteria
- Wide range of services and topics people can be involved with
- New ideas and local solutions
- Better understanding of costs
- Reducing anti-social behaviour
- Bringing communities together
- Easier to justify expenditure
- Building trust through transparency
- Efficient and effective use of resources
- Altering power imbalances
- Both ownership and knowledge increases
- The process is self-policing
- Professionals can respond to requests. It’s not always the loudest voices that are heard.

Some challenges were highlighted

- Issue of managing the ‘fault lines’ between tenants and owner occupiers
- Need to protect credibility of process
- Usual people applying for usual pots
- There will always be losers?
- ‘Going in blind’
- Letting go of control
- Staff resources
- PB is hard work
- Perceived or actual fairness of the process
- Equality of access to the process
- Support and monitoring of projects
- Need for a variety of engagement methods.
What’s possible and where next?

Summary of the learning

As has already been demonstrated in Scotland (Linksfield, Fife) and from the examples cited from other parts of the UK, PB can play a valuable role in providing tenants with more influence in how their rental income is spent.

In our experience, and drawing on the case study examples, the challenges identified above have never proved to be ‘deal-breakers’.

Some future options, based on practical experience, feedback from programme and workshop participants, and understanding of the current policy/legislative situation, are as follows:

- For Councils/housing providers to identify a percentage of HRA budgets to be allocated through PB - which parts of the budget to be decided through consultation on a local basis, rather than adopting a centralised ‘one size fits all’ approach.

- For these budgets to be ‘time-aligned’ with the general budget-setting process, to allow for sufficient lead-in time for the ‘PB element’ to be meaningful, and accessible to as many tenants as possible.

- To link HRA spending plans to local community planning processes where possible, to foster shared commitment to community outcomes, streamline/avoid duplication of services.

- The establishment of ‘deliberative spaces’ where tenants can have meaningful dialogue with officers/service providers re available options, costings etc.

- The establishment of tenant-led steering groups – with relevant officer/technical support to oversee design and delivery of PB programmes to localities.

CASE STUDY 4: TRIANGLE HOUSING, NORTHERN IRELAND

The Support Services directorate decided to create a ‘Vote for Fun’ project in 2016. Each of their 25 supported Living schemes across four regional areas was offered the chance to win £500. They had to come up with an idea of how they would spend the money, on something that would encourage and promote social inclusion within their supported living unit/scheme.

Triangle hosted a ‘Vote for Fun’ day where the schemes presented their plans to their fellow service users and everyone then voted for the best idea. There was one winner (of £500) from each of the 4 regional areas. Ideas ranged from gardening equipment, IPad’s, garden sheds, pamper products for a group of ladies, sensory materials to help with de-stressing, musical instruments, garden makeovers, BBQ equipment and they even had a group who wanted to create a pitch and putt in their back garden! The winning ideas, each receiving £500, were:

- Belfast area – Decking and a gazebo
- Ballymena area – Musical instruments
- Causeway area – Garden makeover
- Ballymoney area – Ladies pamper products.

It was a thoroughly enjoyable experience for service users and staff alike, and the service users had a chance to repeat the process the following year, with new criteria to reach out into the wider community.

This was again successful, including a community dog walking service and the distribution of homeless peoples sleeping packs.
- Work is needed to improve connections between owner occupiers and tenants. PB programmes have the potential to help reshape relationships and build bridges.
- To look creatively at the possibilities regarding other budget areas – such as when planning new builds, improving employability or distributing environmental budgets.

Getting Started

There are many free resources online to help begin a PB process. As well as case studies and videos, if you search them out on sites such as that of the UK PB Network or PB Scotland.

In particular are the guides produced by PB Partners, including our guide to participatory grant making, and to evaluating PB programmes. PB Partners can also offer a facilitation and advice service to Social Housing organisations.

It is particularly worthwhile looking at examples of PB in Europe and Canada. Toronto Community Housing have a very successful long running PB process, that over 15 years has delivered many millions of Canadian Dollars across a wide range of themes to its residents.

Conclusion

Participatory Budgeting provides a genuine opportunity for social housing residents to have a greater influence on decisions that affect their domestic situation and general well-being.

The current situation in Scotland, in particular, is very favourable for the further development of PB approaches in specific themed areas, including housing.

It is important to recognise that, whilst there are obvious challenges to be addressed, any issues can be worked through and hopefully resolved with the active participation of residents, working alongside service providers.

One key principle of PB being ‘ownership of the process by the participants’.

Developing a range of PB projects within the social housing sector will, in addition to providing residents with greatly increased influence, make a substantial contribution to the revitalising of local democracy in Scotland. The same will be true in other UK regions and, of course, beyond our shores.
CASE STUDY 5: BARRHEAD HOUSING, SCOTLAND 2018

Barrhead Housing Association hosted its first Community Choices event at The Foundry, Barrhead on Saturday 17 March 2018.

The event was part of a commitment to engage the community through Participatory Budgeting (funded by the Scottish Government) and the association said it received a “wonderful response” from the residents of Barrhead, Neilston, and the wider community of East Renfrewshire.

Twenty-two projects were shortlisted and represented on the day in the market place and competed for the votes of the community. In two and a half hours, 2,880 votes were cast, and approximately 700 members of the community passed through the market place. With match funding from the association, the total pot of £30,000 was awarded on the day to seven successful projects – the Barrhead Men’s Shed, Lever Valley Brass Band, Neilston Wasps Football Club, Neilston Scout Group, Include Me2Club, East Renfrewshire Good Causes and Yoga Untangled.

Councillor Annette Ireland, Barrhead Housing Association Board Member, and member of the Steering Group set up to oversee the project, said:

“This is my first event representing the association, and I was delighted to take part in such a successful day. I look forward to hearing how the funding will be spent by the successful groups.”

Shirley Robison, Barrhead Housing Association Chief Executive, said:

“I’d like to thank the local community and our staff for making this a very successful event for the association.”

The successful projects were presented with their cheques on 22 March 2018 by the Steering Group. The projects will be delivered across the next 12 months and Barrhead Housing Association will work in partnership with the organisations to support the success of the individual projects and deliver the evaluation of each project. The Participatory Budgeting event is one of a number initiatives that Barrhead Housing Association is committed to delivering through a new Community Regeneration Strategy which has been created to increase opportunities for tenants and the wider community.

Further References and reading

Links to relevant policy documents


Social Housing Regulation (Scotland) https://www.gov.scot/policies/social-housing/regulation/


Links to Videos of PB in Housing
Triangle Housing 2016 https://youtu.be/MUE5mla3xU4

Toronto Community Housing 2009 https://youtu.be/mi7EeS0_r_o

North Lincolnshire Homes 2009 https://youtu.be/j7ggq9Flbt8

Barrhead HA’s PB video 2018 on Facebook https://www.facebook.com/watch/?v=771441489727604

Links to independent reports

Links to handbooks and toolkits

Participatory Grant making through PB https://pbnetwork.org.uk/grant-making-through-participatory-budgeting-a-how-to-guide/


Text references


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