



Participatory budgeting for parish councils

A toolkit

Foreword

This toolkit has been prepared to assist parish councils in particular in carrying out participatory budgeting. It is based on experiences from pilots in North Yorkshire using Regional Improvement and Efficiency Programme funding and was initiated jointly by the North Yorkshire Police Authority and the Yorkshire Local Councils' Associations.

It is supported by a DVD which shows aspects of the process in practice and presents feedback from those involved.

The project included funds for participating parish councils to be used as a grant fund or "community chest" against which community groups could bid for their projects.

It was a great success, Here are some quotes from people who participated. There are others throughout the document.

- Gives confidence to those who propose projects, especially those who are successful, to become involved in their community.
- It could help the parish council to focus on what residents really want to see in their community when considering any future projects.
- Gives all members of the community the opportunity to 'have a say' in how they would like funds to be spent in their own village.
- It gives the whole community an opportunity to be involved.
- We've realised what a wealth of talent we've got in the village.
- We don't usually get the chance to say where the money will go but this gives everybody the chance.
- A chance for us to decide what we want to do.
- Residents have realised what can be achieved when they are prepared to communicate and help their villages.
- Good village communications are important and this is all of our strengths, other villages may not be so lucky.

Contents

	Page
What is participatory budgeting?	4
A model process	6
Risks and obstacles	12
Some examples of good practice	17
Some lessons	22
Appendices	
1 Example documents	25
2 Some legal issues	29
3 Where to go to for help	35

Thanks goes to the communities and parish councils who took up the challenge and on whose experience this toolkit is based:

Borrowby

Foston & Thornton-le-Clay

Gilling West

Hovingham

Hutton-le-Hole

Knayton with Brawith

Killinghall

Newton-le-Willows

Sherburn

Slingsby

Swinton

Thixendale

Wombledon

What is participatory budgeting?



Participatory budgeting is a process which allows members of a community to participate in making spending decisions about local things that affect them. Parish Councils are local authorities and generally have a much closer relationship with the community than do the larger principal authorities. They should be an ideal basis for PB and the project this toolkit is based upon set out to test this idea.

PB originated in Brazil in the late 1980s where it was used as a device to re-instill communities' confidence in

“ Giving people in the community an opportunity to say what they want ”

democratic processes. Very substantial municipal budgets would be subjected to popular decision making so that people could see how much money was being used, could decide what it should be spent upon and could then see for themselves whether or not their decisions had been put into effect.

In Britain there has not been the same depth of concern about political processes but the success of the approach in Brazil has raised interest in PB as a method for securing public engagement in local decision making. Public engagement is very important to a healthy political system. Ultimately, democracy itself rests on the electorate voting on the basis of an understanding of the success of government and on their plans for taxation.

“ We had a really good response ”

Moreover, local engagement is essential for the success of much of what government seeks to achieve. Exercises in participation over the years have frequently demonstrated the importance of community involvement in new developments or in regeneration if the potential benefits to communities are to be realised and their needs met. The more engaged a community is in how it is governed, the more likely it is to get what it needs out of those who govern it.

So when this new approach to public engagement developed it attracted the attention of a wide range of people, in Britain and many other countries, who sought to explore its suitability in their locality. The Labour Government was sufficiently keen on promoting community engagement to set up a programme of participatory budgeting exercises across local authorities in England with the aim of piloting and promoting it, and the Participatory Budgeting Unit was established by Church Action on Poverty in 2001, partly funded by Central Government, as a resource to support the exercise, to learn from experience, to promote the benefits of the technique and to promote good practice.

Currently, the Coalition Government's promotion of the "Big Society" is leading them to take an interest in many aspects of local activism, local self help and community engagement and so the strong governmental interest in PB continues.

Participatory budgeting is already happening

Over 100 local authorities are using PB in their areas now. So are some Police Authorities, Primary Care Trusts and Housing Associations. Although not on the scale that the project this toolkit is based upon, there are also parish councils using PB already. It is becoming an established way of engaging communities and has a growing track record.



Why should a parish council be interested?

Parish councillors frequently complain about how difficult it is to get their community involved in the parish council's business. Major planning proposals, wind farms, waste incinerators and such like are usually pretty effective in filling parish meetings with members of the public anxious to know how they might be affected, but otherwise, it is often said, no-one is interested.

“ *I think as a parish we're very glad we took part in it* ”

This is not always a problem. Often the public's view – “we elected you to deal with that” – is perfectly sensible. Lots of parish business is most effectively dealt with by the parish council itself in formal session. But there are times when it is important that the parish council has a clear view of the electorate's view on an issue which cannot be had simply by “being in touch”.

“ *As a group of parish councillors it has given us a much wider sense of activities that happen in the village* ”

Also, there are times when the parish councillors (volunteers after all) could do with some support in tackling a local issue. And finally, an active community is a valuable thing in itself. Where parish councils show leadership in promoting community activity they provide a great benefit to their community, not just in getting things done but also in creating community spirit.

PB has been shown to be a great way to get people involved. It can

- Encourage people to bring forward ideas for their community
- Foster a greater understanding of local community issues
- Get people involved in their community and in voluntary activity
- Make sure that what gets done is what the community most wants
- Helps the community understand how parish business affects them
- Helps people see how their council tax is being used
- Encourage new people to stand for election as parish councillors

“ *A great way of bringing the community together* ”

So there are times when it is important that parish councils can engender community engagement. Participatory budgeting is an excellent method to this end.

A model process



Usually, a clear description of how the process works and what participants need to do answers most people's questions about PB.

The model set out below can be characterised as the "community chest" model, where an amount of money is 'put aside' for the community to spend on local initiatives. It has been varied in detail by parishes undertaking PB but has been shown to be a sound basis for PB exercises. Task groups have followed it confidently and understood what each stage was for. Communities have responded well and trusted the process and concerns about PB arising at public meetings have readily been allayed by explaining the practical arrangements.

Parishes may want to adapt the following to their own needs but this outline provides a basis from which to start developing an approach. The principal elements of the model are:

1. The parish council – ultimately the governing body for the exercise whose budget (or at least a part of it) is to be decided upon. Because this is an exercise in relation to the PC's budget, it must initiate and support the project though it need not have hands-on control of it.
2. The money that is to be the subject of the budgeting exercise. This might be the PC's own funds or funds that it has secured from an external source.
3. The task group – the group of people who manage the project. Typically, this will include representatives of the PC but it is important that they don't dominate and that people from the wider community are involved. Its role is to plan the project and ensure its progress and delivery but it is also one aspect of getting the community engaged.
4. Projects – the activities which are to be funded. Typically these will be proposed and even delivered by groups from within the community. This would not exclude the PC from proposing some or indeed all of the projects for consideration or from being the delivery agent for approved projects. However all projects, whether from the PC or elsewhere would need to be subject to the same process and to public voting.
5. The decision making event.

“ *It also promoted good participation and community involvement and spirit* ”

“ *I think it's great that we were given support by many of the residents of the village* ”

In outline:

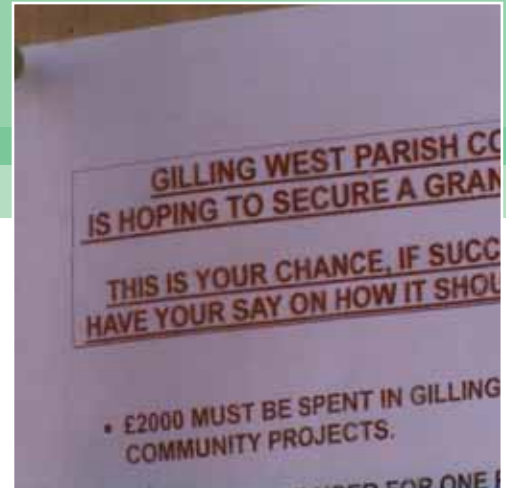
1. The parish council decides that a PB exercise is to be undertaken and the amount of money available for it – the community chest.
2. The PC holds a public meeting to raise awareness about the exercise, to enlist members for the task group and to get the community started on thinking about useful projects. It is not essential that the PC actually delivers this meeting provided it is behind its purpose and agreeable to its content. The public meeting should:
 - a. explain the PB exercise to the community
 - b. enlist members for the task group
 - c. raise awareness about the opportunity and get people thinking about how the funds available might be used.
3. The task group would then plan the project, invite proposals for the use of funds from the community chest, arrange for vetting of proposals and arrange the decision making event.
4. The decision making event uses open public voting to allocate the funds available to the projects brought forward.
5. The parish council monitors the delivery of the projects and the spending on them.
6. The parish council evaluates the experience.

In more detail:

Step One:

The PC has decided that some part of its funding should be subject to a participatory budgeting exercise. This means that the community of the parish is to be invited to decide how those funds should be used. Ultimately the decision is for the PC because it cannot delegate responsibility for decisions about its funds to other bodies. However the process should ensure that the funding allocations follow the community's clearly expressed priorities.

The funds may be entirely those from the PC's precept or reserves or may include external funding such as grants, awards etc. In any case, where the funds become part of the PC's finances, they must only be used for purposes for which the PC has the power to spend.



“ Detailed publicity in our monthly newsletter was well used and is crucial to any such exercise ”



The PC must therefore ensure that the projects put forward for the public vote meet this requirement (ie are legal for the PC to fund). One way to ensure that this is the case is to ask for proposals to be around a theme or themes, such as for young people or about the village environment, although the best examples of PB have not attempted to do this and have given as much discretion as possible to the community to come up with its own ideas.

Although the community will be asked to vote on the projects brought forward, formally speaking the funding decision is that of the PC which cannot delegate decisions of this kind to another body. It can however delegate decisions to the clerk. If the exercise is well set up and run in an open and transparent way, all participants will be confident in the outcome and clear about what the community wants. Having initiated the exercise on this basis, the PC should have no difficulty agreeing to fund those projects which attract the most community support. The minuted decision may be made formally by a PC meeting following the event or by the parish clerk, who would have been delegated the authority to make this decision by an earlier PC meeting.

Step two:



The PC will arrange for a meeting of the community at which the ideas about the exercise can be explained. It may lead it or it may find some other person from within the community to lead it on its behalf. It must, however, have full engagement in this meeting and be able to back up their "front person" if needed.

Efforts should be made to ensure that as many members of the community as possible have the opportunity to attend this meeting and it should be structured to ensure that they understand what money is available, how the exercise is to be managed and how they can support it. This meeting will appoint the task group which will manage the process and so validate the role of that group (though the presence of PC members on the task group is also validating).

Step three:

The task group then addresses the issue of the criteria which should be used for eligibility of proposals for funding and on the process by which the exercise will proceed.

Eligibility criteria will necessarily include:

- the legal power of the PC to fund the proposal
- its practicality – can it be delivered in the way proposed and/or by the group proposing it.

They may also include criteria for the project ideas eg. issues relating to the village environment. There may be established priorities in relation to which it is known that the community wishes to see action taken eg in a Parish Plan. So the task group might decide that proposals should relate to one or more of these known priorities. Alternatively, projects might simply be required to show that they benefit the community or some part of it.



These eligibility criteria should then be set down clearly and the public notified. This might simply be by leafleting or it may entail another public meeting where the process can be explained and enthusiasm further developed. In either case, it must be made clear that the task group will vet proposals in relation to these criteria only and that all proposals which meet these criteria will go forward for decision making, regardless of the task group's views of their merits. If proposals are within the rules, their merits will be determined by the community and it must be clear that no earlier weeding out has been done. This will help avoid accusations about favouritism from unsuccessful groups.

The task group then receives proposals and vets them as described.

The final task of the group is to arrange for the decision making meeting of the community. Here, proposals will be presented to the community and they will vote on their strengths. It may be decided that all adult residents in the community should vote or that voting should be extended to young people. Voters could express their views on the merits of schemes, by scoring them from 1-5 for example.

The task group may seek formal approval of the proposals from the PC before the public meeting if that seems necessary, or the PC members may just trust the task group to get on with it (especially if there is a PC member on the group).

Step four: Decision making

This will be a public meeting open to everyone in the community. The schemes will be presented to the meeting by the sponsors and those present will cast their votes in the way determined by the task group. The task group will make it clear that anyone living in the community over the age limit chosen will have a vote.

These arrangements should have generated schemes which are:

- in the community's interest
- practical and affordable
- legal for the PC to fund.

As a consequence, the extent of community support should be a sound basis for choosing, making it a straight forward matter for the PC to endorse those priorities in its formal decision-making.

Step five: Monitoring delivery and spend

The PC may wish to set conditions about time limits for completing projects and will want to satisfy itself that its money is being used correctly by requiring invoices and other checks on progress. Most PCs will have experience of awarding funds to local projects and of ensuring transparent use of these funds. PB does not raise any new or additional requirements in this regard except perhaps for a heightened public interest in the outcome. There is just one matter that may arise and will need consideration. The nature of PB means that there will be 'bids' from individuals – indeed this should be encouraged. This will mean that in some cases money will be paid directly to individuals, maybe in advance of the project being delivered. This will need thinking about to ensure that there is appropriate governance of such funds. One approach to this would be for the PC to deal with the financial side of the project.

Step 6: Evaluation

PCs should take the trouble to consider the effectiveness of a PB exercise. Did it engage the community, did it bring forward volunteers to deliver projects, was it straightforward to put into effect, would it be worth doing again? Doing this will make sure lessons are learned. Residents in the community should be given an opportunity to put their views forward on how well PB had worked.

Legal issues

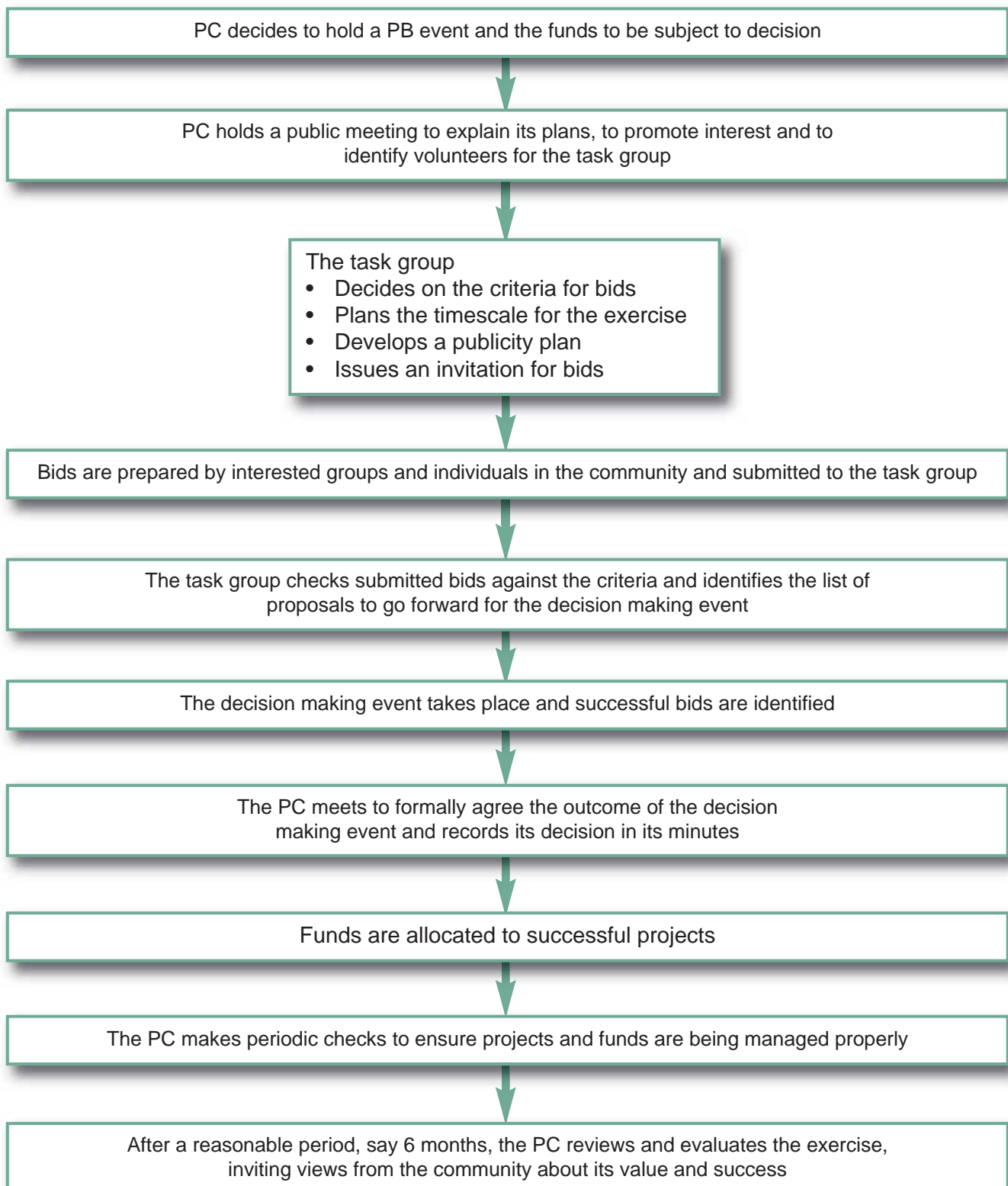
As with everything a PC does, the legal implications need to be considered. The issues raised by PB are not complex and are easily dealt with. Appendix 2 goes into this matter in more detail but the following are the key points:

*“What a good idea,
great, good fun”*

- Parish councils may only spend their money on matters for which they have the power to spend. This is not a special consideration for PB – it relates to all PC spending – but PCs must remember that conducting a PB exercise does not mean that this requirement can be forgotten.
- Parish councils cannot delegate their decisions to another body or bodies. Although a well run PB exercise will feel as though the public made the decision, technically and ultimately the decision on spending must be that of the PC and it must be recorded in the PC minutes. If the exercise has been well run the PC will be able to endorse the community's “decision”. The schemes will have been checked before being ‘put to the vote’ to ensure they are things the PC can spend its money on and that they are practicable. Given that, the ones attracting the most votes must surely be worth implementing.

Consultations with parish and town councils about their interest in PB have identified a wide range of perceived risks and obstacles to it, based mainly on the challenge of opening the decision making process so fully.

The PB Process



Risks and obstacles

The table below sets out the risks and obstacles which have been identified by parish councillors. It is likely that some or all of these same concerns will arise whenever a PC considers using the technique for the first time. The responses to these concerns, also set out in the table, should reassure you. The responses have come from other PCs involved in the process and have been shown to be right in practice. When you look at the model process set out in the last section you should be able to see how a straight forward and practical approach can resolve these issues.

“ *A really, really good process to go through* ”

CONCERN	RESPONSE
Concerns about legitimacy – what would happen if a small number of people hijacked the process for a narrow interest?	<p>This has not been the experience in practice. The risk must be managed by effective promotion of the project and by securing as much involvement as possible. By specifying themes which it wishes to see projects for and by vetting applications for suitability against the themes and for practicality, the risk is further reduced since the choice will then be between acceptable projects.</p> <p>Ultimately, the decision is that of the PC and if what is proposed is clearly inappropriate they can choose not to act on the outcome of the meeting. However, if after reasonable promotion, supporters of a particular project turn out ‘in force’ then perhaps their readiness to take an interest should be respected. It might encourage others to get involved on a future occasion.</p>
How could it work for a parish meeting – what would be the authority for decision making?	A parish meeting works pretty much along the PB lines as there are no Councillors and decisions are made by assembled parishioners. The resources to conduct the exercise will be limited, however.
“Our budget processes don’t include extras for exercises like this.”	PCs need to set budgets. Many PCs award sums to local groups in the form of grants. Both of these processes could be conducted by PB using money which is already in the system. But a PC has the option of creating a bit extra through their precept and often an exercise like this will make it clear that people don’t mind paying a little extra if they can see how it is to be spent.

CONCERN	RESPONSE
	<p>It may also be that the PC hold some funds in reserves and that some of these can be made available for PB.</p> <p>A PB exercise may help attract additional funding from the local authority or other public service agency – especially if it can be match funded.</p>
<p>“Once it gets going I could see it working but it might be difficult to get going.”</p>	<p>This is a common concern – however it has generally been unfounded. There needs to be enthusiasm and commitment, it's true. But where communities have set out on this type of exercise they have found that it generates its own interest and commitment.</p> <p>PB provides an excellent opportunity for a PC to show leadership.</p>
<p>What is the smallest size of parish that works for this model?</p>	<p>There isn't one. The smallest exercise known of is to deal with allocating £500. Many community groups seek quite small sums of money to help their projects.</p>
<p>Where do the ideas about using the money come from?</p>	<p>From the community. It is likely that there are ideas around that have been looking for an opening, so to speak. An initial development meeting for the community can be used to explore people's priorities and then projects invited in relation to those. Or the task group might feel it knows what themes are important and would set the criteria accordingly.</p> <p>A parish plan is an excellent basis for developing projects.</p>
<p>How could a parish cluster be started? (This approach may help smaller parishes to come together to manage a PB process that each individually might feel would be too onerous.)</p>	<p>It seems likely that this will take some dedicated development work where it doesn't already exist. However, the pilot work for this toolkit showed that, for two parishes at least, where there is a will there is a way – and the PB exercise itself has led to much closer working generally between the two PCs.</p>
<p>The PC is seen as being there only for grass cutting and drainage.</p>	<p>Then it is time to raise the PC's profile and this is an ideal way of showing leadership.</p>

CONCERN	RESPONSE
How is it different from a parish plan?	The two go together very well. The parish plan sets out aspirations but does not deal directly with funding priorities. The PB process can be used to address funding priorities and to further develop community involvement in coming forward with solutions to the issues identified in the plan.
We are doing this anyway.	This isn't usually true and in that similar activities usually relate to other, often much less formal, consultation exercises.
It needs a larger community to make it work.	Small communities have and are doing it. The most important thing is the commitment.
Unless the issue is controversial (LDF, sites for travellers, new developments, etc.). people don't take an interest in PC business	PB is a good way of changing that. It requires commitment from those who decide to lead the project but communities have shown that they respond to this kind of challenge.
There is nothing wrong with how things work now.	There are PCs that see this as a good idea and will take it forward. Others may not be so convinced. However, it is usually possible to strengthen community engagement in PC business. Many PCs would like to see greater involvement.
It's our role (the Parish Councillor) to make these decisions.	There are circumstances in which it is best that the PC deals with the issue and other circumstances in which community engagement is a good approach. Both have their place.
The people at the meeting generally will not have the background to make this kind of decision.	This view underestimates the community's common sense. The kinds of decisions likely to be called for in a PB exercise will not be technically complex but rather a matter of expressing preferences between proposals that have been vetted for their practicality.
It might cause division in a small community if different groups support different projects. This could undermine interest in people getting involved with the PC.	This has not been the experience in practice. Rather the opposite – it has generated interest in PC activity and more competition at election time. Proper promotion, clear criteria and an open process will reduce this risk greatly. Also – see "Some examples of good practice" in relation to voting methods.

Practice has shown that these risks are small and easily managed. Other risks that have arisen through experience are:

CONCERN	RESPONSE
<p>The process isn't clear to participants. As a result they mistrust it or are unable to participate in it fully.</p>	<p>The parish council should ensure that it is well briefed about the methods available for participatory budgeting and adopt that most suited to their needs. It is an exercise which can throw up a lot of questions but with ready answers.</p> <p>Materials are available in this toolkit that set the idea out in a way which has been shown to be readily understood in each of the communities in which it has been tried. These can be adapted to local requirements.</p> <p>The Participatory Budgeting Unit is very willing to provide support for your exercise and it is very likely that your Local Councils Association or Rural Community Council will be able to advise.</p> <p>Make sure you have a core of well briefed people to act as the task group and make sure they communicate effectively with the wider community.</p> <p>Messages may need to be repeated – in leaflets, task group meetings or at public meetings – before everyone is clear.</p>
<p>The decision-making event needs a confident lead.</p> <p>The process is usually clear to most participants but a small amount of confusion, about how to vote, for example, can escalate unless dealt with clearly and confidently.</p>	<p>If a PC has undertaken this exercise before it should feel able to manage the event confidently. Without earlier experience, people may feel concerned about their confidence in dealing with issues that may crop up.</p> <p>Again, the PB Unit, the LCA or the RCC are very likely to be willing to help with advice or attendance at the event to help deal with unforeseen issues.</p>
<p>Complexity</p>	<p>It is easy to over-elaborate this exercise. Task group members can feel it is important to manage what they see as risks by setting rules. This is usually a mistake. Almost all significant risks in this process can be disposed of by ensuring transparency, good attendance and confident management of the event.</p>

CONCERN	RESPONSE
Capacity – related to the above	<p>Parish councils and any voluntary community groups likely to become involved in a PB exercise will have a limited capacity only to deal with it. Work, family and leisure will intervene. The parishes whose experience this toolkit is based upon found the exercise straight forward to manage and felt that a short timescale helped greatly in maintaining enthusiasm and focus. Keep it simple and set clear guidelines and timescales and it will be manageable.</p>
Continuity	<p>Those participating in the pilot exercises conducted under this programme found the process very manageable. Nevertheless, their understanding of it and confidence in it was significantly greater afterwards than initially.</p> <p>Parishes will retain the expertise they have developed in experimenting with PB, and the increased degree of community involvement it generates, if they continue to use it from time to time to resolve local priorities.</p>

Some examples of good practice

Gilling West – Setting the budget

Gilling West Parish Council used participatory budgeting to set their precept for 2011/12. It adopted a similar process to the “community chest” approach.

Its approach was to look at its precept for the current year and to identify commitments which it needed to be able to fund in the forthcoming year. These items were excluded from the process and this fact was made clear to the community. This accounted for all but about £500 of the money it would have if the precept did not increase for 2011/12. This was then put together with a contribution from the pilot project to create a pot of almost £2000. The PC then invited proposals from the community for the use of this money.



Projects were forthcoming and a decision making meeting was held which was managed in a similar way to ‘community chest’ meetings. The significant difference was that, once the projects had been voted for and ranked and it was possible to see which could be funded within the sum available, the meeting was asked to consider whether or not it wanted to afford the next most popular project. People were clear that affording another project would need an increase in the precept and in their council tax. They were told what the impact would be on the precept and on a Band D council tax payer if they chose it.

As it happened, by a modest majority the vote was that no additional tax should be raised and that the next most popular project should not be funded from the parish precept. From the point of view of this research it would have been pleasing to report that the method led to a community agreeing to pay more tax. However it did show that the idea of raising tax for specific projects was not dismissed out of hand. Those who rejected the idea did so after careful thought about the potential funding of additional projects rather than an instinctive resistance to pay more tax and rejected the idea on very specific grounds to do with the nature of the projects.

The technique adopted by Gilling West to setting its budget through participatory budgeting proved robust and straight forward.

“ *The publicity generated has resulted in some unsuccessful bids receiving help in other ways* ”

Thornton-le-Clay – Use the community led plan



The parish of Thornton-le-Clay had recently completed a community led plan and in the course of that work had identified a range of projects or improvements which people in the parish wanted to see. It saw this exercise as a way of funding some of that work and of getting a clearer idea from the community of local priorities.

Other than having the community led plan to rely on, its process was a straight forward application of the community chest approach. The task group was entirely independent of the parish council and projects had already been thought about before being brought to the PB process.

Presenters were able to refer to previous consideration of projects and often to the page in the community led plan to which the idea was referred. The turn out was excellent for a very small community.

The rules they used allowed anyone of 8 or more to vote.

The Youth Club asked for two awards to spend on equipment – one of £1000 and another of £2000. There was concern that this approach might split support between these two and reduce their chance of getting anything. There was discussion about including votes for the £2000 option as votes also for the £1000 option as it seemed reasonable to suppose that supporters of the higher amount would have supported the lower one. This might have resulted in double counting, however, and in the event wasn't done. It seems likely that the discussion helped people to vote wisely, as the £1000 bid secured its funding on votes cast for that option. Other winners were a village web site and funds to improve rights of way around the parish.

“ *Teamwork shone through and brought “strangers” together* ”

“ *Has the potential to draw diverse communities together particularly where more than one village involved* ”

Hovingham – Afternoon voting and overall participation



Hovingham Parish had the benefit of a community led plan, an action group to support its delivery and a number of community groups seeking to promote their aspirations within the plan and otherwise. As a consequence its PB event secured a good range of projects, several of which were already well developed in terms of cost and practicality.

The recent winter had had a substantial effect on the community, especially on one of the smaller settlements within the Parish, and so considerable research had gone into approaches to dealing with the problem for the future. Hand held and mechanical equipment had been identified and evaluated and an

economical approach to providing households and the village with supplies of grit had been identified – a stockpile of grit was proposed.

Other proposals would provide better sports facilities, better equipment for the village hall kitchen (related to the brisk business they were able to do in selling hot food to people at the village's farmers market), a Christmas tree for the village hall, funds to refurbish the traditional telephone box and two projects to provide better habitats for bees and to produce honey for sale at the market.

To enable as many as possible to vote, the task group agreed that residents of 10 years or older could vote and they arranged for a small display of the proposals to be available in the village hall on decision day. This was supervised and people could vote then instead of at the evening event. To ensure legitimacy, voters had to register to receive a voting paper so that there could be no double voting.

The interest this approach generated not only secured votes in the afternoon but also seemed to boost attendance at the evening session. In all, 98 votes were cast, 40 of which were placed at the evening session.

One successful bidder from a small outlying community asserted that the event would have been almost as important to them even if they had not won because of the wonderful sense of community that had been developed by working on their bid. They now had a community action group and as they made progress would look back on this event as the start of their efforts for their community.

Borrowby and Knayton – Joint event



Small parishes sometimes express concern about their capacity to undertake this kind of exercise, both from the point of view of funds available and also their administrative capacity.

One solution to this is a joint PB event which increases the number of people able to support the work and the resources available to make it worthwhile. It has its challenges but two neighbouring parishes proved willing to give this approach a try because they already had joint interest in an outdoor activity project which served their two populations and others more widely.

The challenge initially was to find a basis for agreement on whether or not to adopt this approach. At public meetings to announce the PB exercise and explain the opportunity, there was considerable discussion about the merits of separate and joint approaches and the risks of the latter. Ultimately, people felt that by pooling their resources they would gain flexibility in funding a wider range of projects with a higher cost limit than by going independently. Nevertheless the task group discussed the perceived risk that one or other of the communities would take more than its share of the available resources.

One response to this concern is, of course, to accept that the community with the best ideas should get the most support. Another is to motivate the communities to attend in numbers. A third response is to point out that there are many ways in which investment in one parish will provide a service or facility in the other so that the location of the spending may not be a concern at all – to act as one community. All of these ideas were considered. Ultimately, the task group recognised that a rule designed to ensure equality of spend across the parishes might introduce a new risk – that one or other parish would secure funding despite a very poor showing in bringing forward projects or in attending the decision making event.

And so it was decided to undertake the exercise without limitations on how the funding should be allocated between the parishes.

In the event four things helped to secure the confidence of the two communities in the process and to justify the task group's decision:

- most of the proposals were ones which would benefit both communities,
- the decision making event was held in the shared primary school instead of in one or other of the village halls,

Borrowby and Knayton – Joint event cont...

- there was an excellent turnout at the decision making meeting and
- the voting requirement was that each voting slip had to rank 10 of the 15 projects in order of preference. This last requirement ensured that no one clique could push their favourite through by giving that one a high score and no score to any others.

The two PCs were very enthusiastic about the outcome of this exercise and are likely to undertake a similar exercise (and closer working generally) next year using their own funds.

Some lessons

Some detailed lessons from the North Yorkshire experience

Capping bids

Some of the participating parishes decided to limit the amount projects could bid for. They were concerned that if projects could bid for all of the funds and one such project won, people might be aggrieved that only one project had secured funding. By capping bids it would be certain that at least two projects could secure funding.

Both approaches, capping bids and not capping bids, were adopted and by both task groups and bidders. Some bidders decided not to go for the full amount because it risked seeming greedy which might have undermined support and left them with nothing. Some task groups allowed bids for all of the money and in one case, this was the outcome. Both approaches seemed to be accepted easily by the participants and voters

Those inclined to make a rule to cap bids below the maximum might bear it in mind that bidders will make their own calculation of the risks associated with that approach and that the community is in a position to make the judgement for itself. Projects may rule themselves out by going for the whole pot because the community wants to spread the benefit, or it may be that the community feels that a major investment would bring the greatest benefit. The basis of PB is that the community can decide.

More than one bid for the same purpose

Bidders need to decide how high to pitch their proposal. Sometimes this is straight forward – they need a certain amount of money to do what they want to do. Sometimes bids are for a quantity of equipment or materials and the cost will depend on how much is bought. Sports equipment or bulbs for planting can be like this. One option is to make a low and a high bid. If the community is very keen on the idea they may agree to fund at the higher amount. Otherwise the project might at least get the lower amount.

The problem here is that support may be split. People who are very keen on the project may vote for the higher amount but not for the lower one when in fact they would be pleased to see some level of support rather than none. Task groups should counsel bidders planning this approach and explain the risk. If it seems likely that the outcome of voting may be ambiguous, task groups might insist that only one level of funding be included in the bids.



“ One weakness is that lack of proxy voting debarred those who could not physically attend ”



Voting

Voting should be arranged to allow voters to express their preferences. Where there are more than two options, this entails giving projects a score and totalling those scores to see which is the most popular.

This can be done in two principal ways. People might be invited to score only those projects that they like and to give the ones they like best a higher score, up to, say, 5. Alternatively they could be asked to rank the projects in order of preference. The former runs the risk of block voting. Supporters of one project might turn out in numbers and vote only for their own project – and give no credit to any of the other proposals. This isn't really in the spirit of PB where the community can be seen as an

assessment panel. It can be avoided by a good turnout generally so that block voting cannot have the impact intended or by using the ranking approach. If voters have to rank projects they must express an assessment of several of the projects, scoring say their top 5 in rank order, and cannot reserve their support only for one. In some cases task groups required all projects to be ranked.

Both approaches have been used in the exercise on which this toolkit is based and both have resulted in satisfaction with the outcome - although it is suggested that insisting people rank their top choices is the best option.

It is important that the scores are totalled and the results announced at the event. This not only shows the openness of the process but also increases the excitement. Remember to give some thought of how the scores will be added up and by whom. Make sure that you build enough time into the programme – at one event over 100 people turned up to vote when only 50 were expected. This caused delays in adding up the scores which can mean that people leave before the results are announced.

Children and Young People

One question that is always asked is whether children should be allowed to participate in terms of voting and putting forward projects.

These are matters for the task group but experience from the pilots suggests that the involvement of children and young people is helpful.

Firstly the issue of voting. Involving children in voting encourages community interest from young people. There will need to be an age limit and examples have been as young as 8 years old. There is sometimes anxiety that children will only favour the projects that affect them but this has not proved to be the case. They have taken a very responsible approach to making their vote.

“ Some residents find it difficult to get to meetings for many reasons – mobility, baby-sitting, fear of dark or weather, incompatibility with meetings etc. ”

There is the issue of whether they should be allowed to put forward projects and make presentations at the voting event. Where this has happened it has proved to be very successful.

It is worth speaking to the local school and suggesting that the school get involved, and in doing so raise young people's awareness of community, parish councils and democracy. Bids from schools, especially when led by the children themselves have proved very popular.

Hints and tips

- It doesn't take 6 months to do PB – set a reasonable timescale and people will focus on the job.
- Getting one or two enthusiastic people to take the lead is important
- Keep it simple – people will trust a process they can understand.
- Give it plenty of publicity. Include a reminder leaflet through doors a couple of days before the decision event. Don't forget the local newspaper may be interested.
- Try to have something for all ages in the project list.
- Get the kids involved – their parents will come too. Speak to the local school and suggest that they get involved.
- It's best if the task group isn't dominated by the PC. Some PCs have left that work entirely to community members not on the PC. This is about engagement.
- A community led plan or parish plan is a great basis for PB.
- If you think you might need to increase your precept to deal with issues the parish or parish council faces, use PB to check on the public's views. You might be pleasantly surprised – if nothing else, it will raise interest in the work of the PC.
- At the decision event, try mounting a small display for each project. People can familiarise themselves, mingle and chat before formal proceedings start.
- Serve refreshments, hold a raffle. Make it a sociable event.
- Allow time to count the votes. With a good turnout and a wide range of projects, counting can take some time.
- Use a laptop computer to count the votes. Bring two – it can speed things up.
- Trust the community – there is a lot of common sense out there!

Appendix 1 - Example documents

The following examples are drawn from the PB exercises in North Yorkshire parishes

**????? PARISH COUNCIL
NOMINATIONS FOR PARTICIPATORY BUDGET 2010**

Name/Organisation/Group

Name of Contact	
Contact Address	
Telephone No.	
Email Address:	

Brief description of project requiring funding (continue on separate sheet if necessary).

Project costs

Total Cost £

Amount of funding required £

State (if any) how balance is to be funded

Estimate of number of people project will benefit

If bid successful - name organisation/other to whom payment should be made

Official Use: Received: / / Amount pd: £

Accepted/Refused / /

Applications to:

?? PARISH COUNCIL PARTICIPATORY BUDGETING EXERCISE

Project title	Amount requested	My score
Project A	£££	
Project B	£££	
Project C	£££	
Etc.	£££	

Include guidance to the voter here. Are they to rank all projects or only score the ones they think should be funded? What is the maximum score, etc.

VOTING FORM FOR ????? PARTICIPATORY BUDGET
SCHEME 5.3.2011

NAME OF BIDDER & AMOUNT	5	4	3	2	1

After listening to all the bids then you can vote and you can support 5 of the 15 projects listed above.....PLEASE GIVE 5 VOTES TO YOUR FAVOURITE, THEN 4 TO YOUR NEXT CHOICE, THEN 3 TO NEXT ONETHEN 2....THEN 1 TO THE LAST ONE YOU CHOOSE.....AND THANK YOU FOR TAKING PART!

Voting slip for Participatory Budgeting

Please enter your vote as 10pts, 9pts, 8pts 7pts etc. to 1point.

ie. Your top vote gets 10 points and your 10th vote gets 1 point

Name of person or organisation	Summary of bid	Amount of bid	Points for your vote 10pts – 1pt

Please tick this box to confirm you are a resident of ???? or ???? and 8yrs old or over.

KILLINGHALL PARISH COUNCIL
IN CONJUNCTION WITH
RURAL ACTION YORKSHIRE

HELP US TO SPEND £2000
YOU DECIDE
YOUR VOTE IS IMPORTANT

8 BIDS NOW IN
and
POLLING WILL TAKE PLACE
ON Thursday 23rd September 2010
7.00pm at KILLINGHALL VILLAGE HALL

During the evening there will be an opportunity to hear each of the applicants give a brief presentation about their bids and deal with questions about their projects. Voting papers will be issued only to those over the age of 8 years and attending on the evening. The results will be announced on the same evening. This is a unique opportunity for the Parish and your support and attendance will be much appreciated.

Refreshments will be available and funds raised will be donated to support the work Macmillan Nurses.

Printed and published by Killinghall Parish Council

KILLINGHALL PARISH COUNCIL
COUNCIL
IN CONJUNCTION WITH RURAL
ACTION YORKSHIRE

HELP US TO SPEND	BIDS NOW IN
	YOUR VOTE IS IMPORTANT

POLLING WILL TAKE PLACE ON
THURSDAY 23RD SEPTEMBER
2010
7.00PM
KILLINGHALL VILLAGE HALL

DONATIONS FOR REFRESHMENTS WILL
BE IN AID OF MACMILLAN NURSES FUND

Printed and published by Killinghall Parish Council

Appendix 2 - Some legal issues

Using the money

The following considerations relate to any participatory budgeting exercise funded by a parish council or parish councils acting jointly. "Funded by" means funded from the parish council's precept and reserves entirely or including finance provided to the parish council by another agency wishing to support the exercise. Whether or not the parish's finance for the exercise was supplemented by an external agency, all such funding must be used only for purposes which the parish council is empowered in law to undertake. This should not however present an insurmountable obstacle to running PB.

Another agency is not able to provide a parish council with funding to deliver a purpose for which the parish does not have powers to deliver, even though the funding agency may have the power to deliver that purpose. (Though it could ask the PC to conduct a consultation on local priorities before deciding on its own spending plans.)

The powers of a parish council are¹

Function	Powers & Duties	Statutory Provisions
Allotments	Duty to provide allotments. Power to improve and adapt land for allotments, and to let grazing rights	Small Holding & Allotments Act 1908, ss. 23, 26, and 42
Baths and washhouses	Power to provide public baths and washhouses	Public Health Act 1936, ss. 221, 222, 223 and 227
Burial grounds, cemeteries and crematoria	Power to acquire and maintain Power to provide Power to agree to maintain monuments and memorials Power to contribute towards expenses of cemeteries	Open Spaces Act 1906, Ss 9 and 10; Local Government Act 1972, s. 214; Parish Councils and Burial Authorities (Miscellaneous Provisions) Act 1970, s. 1 Local Government Act 1972, s. 214(6)
Bus shelters	Power to provide and maintain shelters	Local Government (Miscellaneous Provision) Act 1953, s. 4
Bye-laws	Power to make bye-laws in regard to pleasure grounds Cycle parks Baths and washhouses Open spaces and burial grounds Mortuaries and post-mortem rooms	Public Health Act 1875, s. 164 Road Traffic Regulation Act 1984, s.57(7) Public Health Act 1936, s.223 Open Spaces Act 1906, s.15 Public Health Act 1936, s.198

¹ This list is taken from the NALC publication "Governance toolkit for parish councils".

Function	Powers & Duties	Statutory Provisions
Clocks	Power to provide public clocks	Parish Councils Act 1957, s.2
Closed churchyards	Powers as to maintenance	Local Government Act 1972, s.215
Common pastures	Powers in relation to providing common pasture	Smallholdings and Allotments Act 1908, s.34
Conference facilities	Power to provide and encourage the use of facilities	Local Government Act 1972, s.144
Community centres	Power to provide and equip buildings for use of clubs having athletic, social or recreational objectives	Local Government (Miscellaneous Provisions) Act 1976 s.19
Crime prevention	Powers to install and maintain equipment and establish and maintain a scheme for detection or prevention of crime Power to contribute to police services e.g. PCSOs Duty on Parish Councils to consider crime reduction in every policy and action	Local Government and Rating Act 1997, s.31 Police Act 1996, s.92 s17 Crime and Disorder Act 1998 (as amended)
Drainage	Power to deal with ponds and ditches	Public Health Act 1936, s.260
Dogs	Power to make a Dog Control Order Power to take enforcement action against those who commit an offence against a Dog Control Order	Cleaner Neighbourhoods and Environment Act 2005
Entertainment and the arts	Provision of entertainment and support of the arts	Local Government Act 1972, s.145
Flyposting and Graffiti	Power to take enforcement action against those that flypost or graffiti	Cleaner Neighbourhoods and Environment Act 2005

Function	Powers & Duties	Statutory Provisions
Gifts	Power to accept	Local Government Act 1972, s.139
Highways	<p>Power to maintain footpaths and bridle-ways</p> <p>Power to light roads and public places</p> <p>Provision of litter bins</p> <p>Powers to provide parking places for bicycles and motor-cycles, and other vehicles</p> <p>Power to enter into agreement as to dedication and widening</p> <p>Power to provide roadside seats and shelters</p> <p>Consent of parish council required for ending maintenance of highway at public expense, or for stopping up or diversion of highway</p> <p>Power to complain to highway authority as to unlawful stopping up or obstruction of highway or unlawful encroachment on roadside wastes</p> <p>Power to provide traffic signs and other objects or devices warning of danger</p> <p>Power to plant trees and lay out grass verges etc. and to maintain them</p>	<p>Highways Act 1980, ss.43,50</p> <p>Parish Councils Act 1957, s.3;</p> <p>Highways Act 1980, s.301</p> <p>Litter Act 1983, ss.5,6</p> <p>Road Traffic Regulation Act 1984, ss.57,63</p> <p>Highways Act 1980, ss.30,72</p> <p>Parish Councils Act 1957, s.1</p> <p>Highways Act 1980, ss.47,116</p> <p>Highways Act 1980, s.130</p> <p>Road Traffic Regulation Act 1984, s.72</p> <p>Highways Act 1980, s.96</p>
Investments	Power to participate in schemes of collective investment	Trustee Investments Act 1961, s.11
Land	<p>Power to acquire by agreement, to appropriate, to dispose of</p> <p>Power to accept gifts of land</p>	<p>Local Government Act 1972, ss.124, 126, 127</p> <p>Local Government Act 1972, s.139</p>

Function	Powers & Duties	Statutory Provisions
Litter	Provision of receptacles Power to take enforcement action against those that litter	Litter Act 1983, ss.5,6 Cleaner Neighbourhoods and Environment Act 2005
Lotteries	Powers to promote	Lotteries and Amusements Act 1976, s.7
Mortuaries and post mortem rooms	Powers to provide mortuaries and post mortem rooms	Public Health Act 1936, s.198
Open spaces	Power to acquire land and maintain	Public Health Act 1875, s.164 Open Spaces Act 1906, ss.9 and 10
Parish documents	Powers to direct as to their custody	Local Government Act 1972, s.226
Telecommunications facilities	Power to pay public telecommunications operators any loss sustained providing telecommunication facilities	Telecommunications Act 1984, s.97
Public buildings and village hall	Power to provide buildings for public meetings and assemblies	Local Government Act 1972, s.133
Public conveniences	Power to provide	Public Health Act 1936, s.87
Sustainable communities	Able to be represented on a panel of representatives to be consulted on proposals that would contribute to sustainable communities	Sustainable Communities Act 2007
Town and country planning	Right to be notified of planning applications	Town and Country Planning Act 1990, Sched.1, para. 8
Tourism	Power to encourage visitors and provide conference and other facilities	Local Government Act 1972, s.144

Function	Powers & Duties	Statutory Provisions
Traffic calming	Powers to contribute financially to traffic calming schemes	Highways Act 1980, s.274A
Transport	Powers in relation to car-sharing schemes, taxi fare concessions and information about transport Powers to make grants for bus services	Local Government and Rating Act 1997, s.26, 28 and 29 Transport Act 1985, s.106A
War memorials	Power to maintain, repair, protect and alter war memorials	War Memorials (Local Authorities' Powers) Act 1923, s.1; as extended by Local Government Act 1948, s.133
Water supply	Power to utilise well, spring or stream and to provide facilities for obtaining water from them	Public Health Act 1936, s.125
Well-Being	Power of well-being of the area (for eligible councils)	s2 and 4 of the Local Government Act 2000

Community benefit generally

In addition to these specific powers, under section 137 of the Local Government (Miscellaneous Provisions) Act 1972, parish councils can spend on matters which will benefit the parish or its residents or some of the parish or residents. This general power can be very useful and empowering to parish councils as it allows them to support innovative projects or good ideas that the legal draftspersons hadn't thought of when drafting the law. There are limitations on its use, however. Expenditure must be proportionate to the benefit and must be capped to an annual maximum. For 2011, the cap is £6.44p per elector and applies whether the funds are raised from council tax or from an external source. This power extends to funding a voluntary body to act in these same ways.

This list of powers is impressive and yet is not exhaustive. Clearly, local councils are in a position to undertake a great deal for the betterment of their communities. Those with the power of wellbeing may undertake yet more activities. Nevertheless, parishes cannot do just anything. Your Local Councils Association will provide you with guidance where you are uncertain on these matters.

Making the decision

A parish council cannot devolve its decision making powers to another body. In the scenario considered here, the PC's funds are to be used and so it is the PC's business to make the final decision and that must appear in the PC's minutes. This will be so even though those funds have been supplemented by funding from another party with wider powers – the local authority for example.

Having chosen to adopt a PB approach to its expenditure, the PC's decision will clearly reflect the outcome of that work. It would be disappointing for people involved in the exercise if they saw that their views were set aside in the PC's decision, although this is possible in principle and the PC cannot divest itself of responsibility for its decision on any basis and certainly not on the basis that the public "tied its hands" through a PB process.

The PC should manage this situation by:

- Ensuring that the planned process is well publicised and transparent and open to all to influence
- Making efforts to involve as many people from across the range of interests in the community as possible
- Ensuring that only proposals relating to matters that the PC has the power to fund are considered in the process
- Making sure that any community groups or other parties that receive funding as a result of the process have been vetted before hand and judged capable of managing those funds appropriately, and
- Preparing to make a prompt decision following the PB exercise, taking into account the outcome of that exercise.

The first two of these five points are the demanding requirements. The third ought to be very simple to ensure and advice is available if needed, the fourth ought already to be practice because PCs award other bodies funds for their projects anyway and the fifth is easily arranged.

So clearly and not surprisingly a public engagement exercise like PB depends for its success on good public involvement. Fortunately, experience shows that communities generally respond well to the idea. It also shows that a sizeable group of community members represents a good stock of common sense.

Appendix 3 - Where to go to for help

The following organisations will be able to provide you with practical advice or to refer you to someone in your area who can.

Action with Communities in Rural England (ACRE) – this is the national body supporting rural community councils in England

ACRE	Tel: 01285 653477
Somerford Court	Fax: 01285 654537
Somerford Road	E-mail acre@acre.org.uk
Cirencester	Web www.acre.org.uk
Gloucestershire GL7 1T	

National Association of Local Councils (NALC) – this is the national body supporting parish councils in England

NALC	Tel: 020 7637 1865
109 Great Russell Street	Fax: 020 7436 7451
London	E-mail: nalc@nalc.gov.uk
WC1B 3LD	Web www.nalc.gov.uk

Participatory Budgeting Unit – this is a national body which promotes PB and supports organisations wanting to use the method.

Participatory Budgeting Unit	Tel: 0161 236 9321
C/o Church Action on Poverty	Fax: 0161 237 5359
3rd Floor	Web www.participatorybudgeting.org.uk
35 Dale St	
Manchester	
M1 2HF	

Your local **Rural Community Council** and **Association of Local Councils** are likely to be interested in any PB exercise you plan and will certainly help if you contact them. ACRE and NALC will give you the contact details.

Your **local council** is also likely to be interested in any PB initiative you plan and so is your local councillor.

