

Transcript: Participatory budgeting and its potential for community empowerment and social justice

See the film on the What Works Scotland website <http://whatworksscotland.ac.uk/events/webinar-participatory-budgeting-and-its-potential-for-community-empowerment-and-social-justice/>

Dr Oliver Escobar, What Works Scotland (University of Edinburgh)

SLIDE 1: Hope for Democracy e-book

Scottish Chapter is *Participatory budgeting in Scotland: The interplay of public service reform, community empowerment and social justice* by Oliver Escobar, Fiona Garven, Chris Harkins, Kathleen Glazik, Simon Cameron and Ali Stoddart

Open access to the chapter: <http://whatworksscotland.ac.uk/publications/hope-for-democracy-participatory-budgeting-in-scotland/>

Oliver Escobar:

And so the book chapter is available and all the detail I'm covering in the presentation you can find in the book chapter, so please do take a look at it download it, and share it.

Let's get back to the presentation

SLIDE 2:

Political context for PB in Scotland

PB has gained momentum as a response to challenges and aspirations to improve governance, public services and local democracy

- Institutional factors, e.g. disconnect between communities of place and local government institutions
- Civic factors, e.g. growing level of civic activity and democratic aspiration in Scotland
- 2014 = pivotal year when these developments reached a critical mass, and civil society and government agendas coalesced, particularly in the run up to the referendum on Scottish independence

Increasing political, legislative and policy support driven by a combination of grassroots / civil society proposals, and topdown policy action from public institutions.

Oliver Escobar:

I should say, it's quite important to understand the peculiarity of the political context for PB in Scotland.

It's not that it is really different from other places but it does have some features which are quite important to consider in some ways. Some of you might remember that there was a wave of PB processes taking place in England in the first decade of since 2000 until around 2010, and in Scotland it didn't quite catch on in that first decade of the 21st century. The political context somewhat shifted in the last eight years and it has

Transcript: Participatory budgeting and its potential for community empowerment and social justice

allowed a space for PB to develop more meaningfully. Partly to do with institutional factors: there are some huge difficulties in Scotland to do with the way local government is set up.

As you might know Scotland – well, essentially Scotland is one of the most centralised countries in the world, in the developed world, and we have only 32 local authority areas for five million people, which is in stark contrast to other countries. Just as a contrast, where I come from in Galicia in the northwest of Spain we have 2½ million people and 300 councils. There's a strong contrast also with other countries not just Spain – France Germany, Finland. Wherever you look, you will find local authority areas that are smaller, and one of the prices we pay for such large local authorities is that there can be a disconnect between local communities of place and these institutions of local government.

In that context there has been for many years now a number of civil society proposals and developments that try to look into how to strengthen local democracy in Scotland. There has been a growing level of civic activity all over the country in the last 20 years. This is a really vibrant democracy in terms of community action, in terms of the world of social enterprise, development trusts and so on and so forth. But perhaps the pivotal year – the way we see it in the book chapter, the way we presented it in the book chapter – was 2014 in the run-up to the Scottish independence referendum.

Civil society agendas build on processes like the electoral reform society democracy max process, or some of the other sort of civil society organised platforms and reviews of governments and democracy were all pointing to the need to reconsider our institutions of local democracy, and simultaneously the Scottish Government as well perhaps inspired by the discourse around devolving power from Westminster to Scotland. We're also in a situation where they had to consider the issue of devolving power from Edinburgh from where Scottish Government sits and the Scottish Parliament sits to localities across Scotland. And those agendas coming together created and a window of opportunity were PB became a mechanism that was understood to help to go in that direction.

Since then there has been massive development in legislation terms and policy terms, lots of frameworks and legislation and so on. But it's important to signal this because [...] some people have the misperception that PB is something that comes from the top-down, a kind of a national government agenda, but actually civil society were instrumental in putting PB at the centre of and demands for reform. So that's why in the book chapter we talk about the interplay between civil society and government; both grassroots action and top-down policy action.

SLIDE 3:

Policy context for PB in Scotland Commission on the Future Delivery of Public Services (Christie, 2011) > 4 pillars:

- Partnership: PB requires collaboration across organisational, thematic and geographical boundaries, and can provide new impetus to existing local governance partnerships.
- Participation: PB can enable substantial participation by citizens and communities, and provide a platform to channel the aspirations of a citizenry that is becoming less trusting in, and deferential towards, traditional forms of authority and hierarchical decision making.

Transcript: Participatory budgeting and its potential for community empowerment and social justice

- Prevention: PB can open up space for rethinking priorities and overcome short-term thinking, so that the difficult decisions that authorities often struggle to make can be addressed through open public deliberation and collective action. In addition, PB can mobilise local knowledge that may help to tackle complex and deeply rooted problems and inequalities.
- Performance: PB can stimulate effectiveness by increasing transparency, monitoring and scrutiny of how public money is spent. It can also foster local creativity, entrepreneurialism and collaboration in order to articulate new solutions and initiatives.

Oliver Escobar:

And then perhaps one of the things that made PB viable in Scotland was that it was quite suitable to advance some of the key pillars that the Christie Commission on the future delivery of public services was putting forward. Many of you will be familiar with the four pillars – partnership, participation, prevention, performance, and in the book we explore how PB can contribute to each of those so I'm not going to dwell on that here. But is one of those situations where there's a window of opportunity in policy terms because PB was one way of addressing some of the priorities that were emerging in terms of broader public service reform.

SLIDE 4:

2014 COSLA Commission on Strengthening Local Democracy:

- “50 years of centralisation has not tackled the biggest problems that Scotland faces
- For a country with Scotland’s wealth and strength, the level of inequality is intolerable, and has huge social and financial costs
- There is a link between the absence of strong local democracy and the prevalence of inequalities
- It is communities that empower governments at all levels, not governments that empower people”

Oliver Escobar:

In 2014, quite importantly as well in terms of policy developments, the CoSLA commission was strengthening local democracy. CoSLA for those of you who are not in Scotland, is the Convention of Scottish Local Authority Areas, and basically represents local authorities across the country. The important, one of the most important elements of the CoSLA Commission, was linking the absence of strong local democracy in Scotland with the proliferation of inequalities. Inequalities that affect our communities, inequalities of socio-economic inequalities, as well as to do with other aspects of inequality. But that link between strong democracy and tackling inequalities was perhaps one of the core messages of the commission, and again the commission did put forward PB as one of the mechanisms that might help to change the situation.

SLIDE 5:

The Community Choices programme

- The Scottish Government’s Community Choices programme supports and promotes PB nationally.

Transcript: Participatory budgeting and its potential for community empowerment and social justice

- It is delivered in partnership with local authorities, communities and civil society organisations, and implemented across policy areas from policing to health and social care, transport and education.
- Since 2014/15, this has led to an investment of £4.7 million. Match funding of £1.5 million from a number of local authorities has brought the total to £6.2 million (excluding the 2018-2019 budget)

Divides as: National Support £1,077,20; Local Authorities' Funding £2,121,267; Funding for Communities £1,609,000

Oliver Escobar:

The choices programme, which those of you based in Scotland have probably heard about – Is a Scottish Government national programme to support and promote PB. It is delivered by a number of local authorities, community civil society organisations across a number of policy areas. And so far including the matching – they can fund match by local authorities – It's reached around six point two million, although these figures don't include the new money for communities choices, so it's likely higher now. Community Choices has been, is still, mostly for models of community grant making, rather than mainstreaming. Although things are beginning to change. I'll come back to that in a second.

SLIDE 6: Capacity building and civic infrastructure for PB

National Support Programme and Community Choices Fund. Under these:

- SCDC: Community support, network support, national conference, website, PB video and facilitator training support
- GDA: Building capacity, GDA Voices for Change
- PB PARTNERS: PNB Mainstream, thematic, Council cluster workshops, facilitator training, OGP support
- DEMSOC: Digital councils and community, technology liaison, Digital Learning Group, On-going technology research for best fit
- COSLA; 1% PB commitment, Community Choices development manager
- OGP: one of five commitments in action plan
- SUPPORT NETWORKS AND RESOURCES: PB Working Group, PB Advisory Group, PB Officers Group, PB website, PB network, PB Guide, small grant and mainstreaming guides, evaluation guide, EM briefing
- EVALUATION: GCU – impact on services, communities and democracy (20 councils), CCF 2016/17 33 evaluation reports and 2015/16 14 evaluation reports, WWS Second Generation PB

Oliver Escobar:

But there's a large capacity building and civic infrastructure programme to try and build this report and the kind of skills capacity and workforce to drive PB across the country. I won't bore you with the details of this. You can check the book chapter and that will give you a sense [of it], but there are all sorts of things going on. From a national network of professionals, a national network of PB champions. There are working groups on various different areas of PB. There has been a training programme rolled out by PB partners and a

Transcript: Participatory budgeting and its potential for community empowerment and social justice

number of other things including the PB Scotland website, which is packed with resources as well as the evaluation programmes led by Glasgow Caledonian University. And we have been doing at What Works Scotland as well.

SLIDE 7: *Review of 1st Generation Participatory Budgeting in Scotland* by Chris Harkins, Katie Moore and Oliver Escobar (Glasgow Centre for Population Health)

Oliver Escobar:

Speaking of which, this was one of the reports we published a couple of years ago. We were looking at what we called first-generation PB. Essentially, basically around 50 processes that use community grant making as their PB model. In the review we were paying attention to developments before the new legislation and the new policy support was being put in place. You can check the report on our website. But in essence, what we were looking at is how the first generation there were a few parameters that were central in the first generation of PB.

SLIDE 8: Scotland in transition

1st Generation PB (2009-2015) – experimenting

- Organic development of PB, predominantly small scale, driven by local champions and ad hoc funding
- Predominance of community grantmaking model; PB as a community engagement tool; no need for substantial changes in the institutional system
- Positive impacts, but limited evaluation
- Limited focus and impact on tackling inequalities

2nd Generation PB (2016 onwards) - mainstreaming

- Unprecedented policy, legislative, capacity building and investment framework from which to embed PB
- Towards a variety of sustainable PB models, including mainstream budgets and services. Reorienting the relationship between citizens, politicians, civil society, and the state
- Towards robust evaluation of short and long term outcomes? Stronger focus and impact on tackling inequalities – social justice agenda

Oliver Escobar:

It was a time for experimenting and there has been a lot of activity all over the country. It was a fairly organic development, rather than directed from the top down. All sorts of community organisations, community councils, third sector organisations and networks being involved in driving it. [It often depended] on ad hoc funding, specific pots of money available, specific policy or service area, and it didn't require any form of institutional reform because it was to do with small pots of money that could be allocated according to some of the existing systems and ways of working. There are limited evaluations of this first generation.

Transcript: Participatory budgeting and its potential for community empowerment and social justice

Our review was able to pull out some of the positive impacts but the scale of it was not enough to make a significant difference in terms of tackling inequalities of the more systemic level.

And that's the hope for the second generation, which is where we are now. All the developments that I mentioned a second ago from 2016 onwards moving towards mainstreaming with all the policy and legislation, capacity building and investment support that has gone into it so far. The idea being that alongside, and I stress that alongside, because this is not about doing away with community grant making. The small kind of community grant making model is still relevant, useful and it's still pertinent in many contexts. But when we talk about mainstreaming, we are also talking about expanding PB to mainstream budgets and services by local authorities. In essence, this should help to change the relationship between citizens, representatives, civil society and so on.

We need to be quite smart in the way we go about evaluating what's going to happen over the next ten years because mainstreaming should be able to make a stronger impact in terms of social justice.

SLIDE 8: shows map of Scotland with small dots indicating the PB activity. PB spread has accelerated over the past few years; from little more than a handful of PB processes in 2010, to at least 200 cases to date

Oliver Escobar:

But the result of all of this activity, of the creativity energy that a lot of volunteers and organisers all over the country have put into this agenda has resulted in a massive expansion of PB. And before 2010 we could only count a few, a handful of PB processes whereas the crowd-sourced map of PB in Scotland, which is available in the PB Scotland website, has at the moment at least two hundred cases. We know that there are cases that are not mapped there. If you're involved in a case that is not in that map, please do go to the website and add your case so that we can keep an accurate picture of what's happening across country.

You can see in the map that a lot of the activity has been in the central belt, but there is also a PB spreading all over the rest of the country. And yes, we know that this is an evolving picture, so please do help us to keep the crowd-sourced map updated.

SLIDE 9:

Findings from an interim evaluation report by O'Hagan et al. (2017) examined the Community Choices programme from October 2015 to June 2017 (final report expected by the end of 2018)

- The report notes that PB has become a valuable tool to raise awareness of community led activity and there is clear evidence of developing community identity, capacity and social capital.
- However, it also notes that PB activity is dominated by transactional rather than transformational approaches:

“Changing the relationship between communities and government at the local and national level means establishing a different contract between citizens and the state. The extent to which this leads to a shift from a transactional relationship (whereby councils provide services or resources in response to expressed needs

Transcript: Participatory budgeting and its potential for community empowerment and social justice

or direct requests) to a transformational shift in power is a question at the core of developments in PB.” (O'Hagan et al., 2017, p. 5)

Oliver Escobar:

There has been an interim report which I think is really important when we think about mainstreaming and how that takes us in forward in terms of community empowerment, social justice, public service reform and so on. The interim evaluation report that Angela O'Hagan and many other colleagues have worked on pointed out that so far, and again the final report is still expected this year so these are not the final findings. But when they put forward their interim report in 2017, they highlighted that PB is becoming quite established as a tool that is helping to develop community cohesion, identity, capacity, social capital and so on, but it remains fairly transactional rather than transformational. And by that they mean that some of the fundamental relationships between citizens and institutions haven't yet evolved in the desired direction and that's going to take a little bit longer than where we are just now. And so it's a cautiously and critically optimistic interim report and we should look forward to the final report and seeing where we are with some of these initial developments of the second generation of PB in Scotland.

SLIDE 10: Mainstreaming PB: A critical juncture in Scotland's PB experience

Oliver Escobar:

Now, this final part of the presentation I want to delve into a few of the key issues regarding the mainstreaming of PB. What does it mean and what are the implications of making PB a fundamental process within our institutional arrangements and trying to make it a substantial core component of the way we govern ourselves in our communities?

SLIDE 11: Landmark agreement in October 2017 between the Scottish Government and COSLA

- A framework agreement to have at least 1% of all local authority budgets subject to PB by 2021 establishes the commitment to embed it as a way of working.
- This is in the region of at least £100 million of core local government grant funding, both capital and revenue, being influenced and directed through deliberative community participation

Oliver Escobar:

There has been a landmark agreement last year between the Scottish Government and the Convention of Scottish Local Authority Areas. As many of you will know, the agreement is that at least, and I want to stress that at least because we wouldn't want anyone to feel that they are limited to this. They can of course go ahead with an even more ambitious agenda but at least 1% of all local authority budgets are to be subject to PB processes by the year 2021. Some of the estimates talk about at least a hundred million of core local government grant funding both capital and revenue to be influenced directly through PB.

SLIDE 12: Examples of mainstreaming

Transcript: Participatory budgeting and its potential for community empowerment and social justice

- There have been at least two cases that have used core budgets for PB and they are informing initial discussions about what mainstream PB may look like in Scotland.
- They offer examples that go beyond the community grant-making model to one that enhances the interplay of communities, councillors and officers in decision making on far larger resources.

Oliver Escobar:

We don't have so far too many examples of what mainstreaming means and we are trying to work it out. I know many of you here in the webinar will be involved in thinking through what does it mean to mainstream it, to make it a part of how our local authority works? There is a lot of uncertainty across the country because this is a very substantial change in the way we do things and we have experiences from previous initiatives that it does require a lot of effort to put into this kind of culture change. Changing mind-sets, changing structures sometimes and so on and so forth. But there have been a couple of examples that already point in a direction that is different from community grant making. In the book chapter we talk about them briefly.

SLIDE 13: Dundee Decides 2018

- Over 11,000 voters from across the city decided how to spend £1.2 million of the Council's capital budget through PB.
- Each of the eight electoral wards was allocated up to £150,000 to spend on infrastructure improvements. Voting was open to residents aged 11 or over through an online platform.
- The political leader of Dundee City Council who helped launch the process said: "I am absolutely blown away by the level of engagement and informed participation... We are the only place in the country to take a slice of our mainstream budget and hand it over to communities to decide how and where it should be spent."

Oliver Escobar:

One of them, as you might have seen, and by the way, it's Dundee, which I think has been awarded one of the CoSLA awards this year, if I remember correctly. And what they did there earlier this year is to put in place a process that involved 11,000 voters from across the city deciding how to spend 1.2 million of the council's capital budgets. It was a revenue budget, this was capital budget, through PB and they decided to split the pot of money across the electoral words. Any resident who was 11 years old or over could vote through the online platform.

It's good to see that there has been the political lead there of course. That's why I'm pleased with the process. And that's quite important because, and I will mention this later, it's crucial that elected members and local representatives are on board with this agenda. They must play a fundamental role in advancing these new spaces for community politics that is beyond party politics.

SLIDE 14: Western Isles 2015-16 (see PB Partners, 2016b, p. 12)

- It entailed the allocation of a transport budget of £500,000 through PB.

Transcript: Participatory budgeting and its potential for community empowerment and social justice

- Over 200 residents from Barra and Uist, the two southernmost islands, were consulted regarding the existing provision of public buses.
- The results were then passed on to bus service providers, to inform their tendering process.
- Tenders were assessed and awarded by resident groups.
- The process demonstrated that residents are perfectly capable of engaging with complex 'information sets', and coming to reasoned, and reasonable decisions.
- The Council's Transport Manager, whilst initially sceptical said afterwards that he now supports this way of awarding tenders.

Oliver Escobar:

The second example which is something that has been profiled by PB partners, and you can see the reference in the book chapter. It was a very interesting case in the southern part of the Western Isles. It entailed the allocation of a transport budget of around half a million, and this was about doing tendering, the process of putting out a tender to spend public money on a particular service in a very different way. As you can see over 200 residents were involved in determining the parameters for transport needs. Then the bus service providers took that into account to inform their tendering process, and then the tenders themselves were awarded by resident groups. It was a really interesting process because it touches on something that sometimes people think should be out of bounds for community engagement, which is the tendering process, and this demonstrates that it doesn't have to be that way and it shows also a different way of using a mainstream budget for PB.

SLIDE 15: Key considerations for mainstreaming PB

Oliver Escobar:

Now, let me just wrap up with a few final slides on key considerations for mainstreaming PB.

SLIDE 16: Institutional reform?

- Mainstreaming PB will require commitment by democratic innovators across the country in order to reinvent the relationship between citizens, public services and elected representatives
- This may have implications for arrangements in governance, procurement, budgeting and administration, which should be considered in the current Local Governance Review initiated by COSLA and the Scottish Government to provide the groundwork for a new Local Democracy Bill.
- For PB to become central in local governance, and not just an add on, it must become part of how communities govern themselves.
- This means that participatory processes must be embedded within institutional arrangements, which sometimes requires administrative reforms as learned from international experience.
- Ensuring institutional fit can entail measures such as designing the PB process so that it works in sync with the overall budgeting cycle for the local authority in question.

Oliver Escobar:

Transcript: Participatory budgeting and its potential for community empowerment and social justice

And apologies that this is a little bit wordy but I wanted to include enough text so that those of you who might not be able to be listening because you're in a meeting at least it can be read on the screen if you don't want to go to the book chapter. So, institutional reform. The reason I mentioned this here is because you know there are implications. If we are saying that PB will be a key process in allocating a main stream element of or a key component of mainstream budgets then this might have implications for procurement for budgeting and administration, for governance arrangements. In some countries this has required administrative reform to adapt the budgeting cycle so that it can accommodate PB as a core part of that cycle. So it might well be that in some places, depending on how PB is taken forward, this might require rethinking and remaking some of the existing processes in the budgeting cycle. This is something to bear in mind and something not to be scared of, although it can feel a bit daunting, but this is one of the fundamental elements in making sure that PB becomes sustainable and becomes part of how the system works, rather than an add-on that can be removed at the whim of just a few decision-makers who might not feel this is for them. If we want this to become part of how local democracy works then sometimes in some places, and certainly those who are pioneering and trailblazing in the mainstreaming of PB in Scotland, might need to consider some elements of institutional reform.

SLIDE 17: Workforce

- Another important aspect is the need to develop workforce capacity within local authorities, especially in light of findings from the interim evaluation by O'Hagan et al (2017, p. 17):

“PB activities to date represent a significant resource commitment on the part of local authorities, or more specifically on the community development/engagement functions which have been charged with delivering this approach and where no additional staff have been allocated. Existing staff are absorbing considerable additional workloads which represents an unsustainable delivery model.”

- PB must be supported by properly resourced teams of participation practitioners and community organisers capable of fulfilling the expectations of their communities, PB policy objectives, and the broader participatory democracy agenda laid out by legislation such as the Community Empowerment Act and the Public Sector Equality Duty

Oliver Escobar:

Another key consideration is to do with workforce and the interim report by Angela O'Hagan and colleagues was quite clear that too often PB activities are being added to the work of community development officers and community workers who are already fairly overloaded. So this is a really challenging situation because, and perhaps one of the biggest paradoxes currently with the community empowerment agenda in Scotland, is that we have all this policy agendas around community empowerment and yet our community learning and development departments or community organising forces are in many cases being diminished. We have less community workers than we used to have. Community work is often the first thing that goes when people are thinking about cuts. That's a really unfortunate situation to be in when we are talking about taking community empowerment seriously. PB requires community work. It is as simple as that. Therefore, it requires a workforce that can fulfill the expectations of this democratic renewal agenda.

Transcript: Participatory budgeting and its potential for community empowerment and social justice

SLIDE 18: Placing public deliberation at the heart of PB

- The WWS review of 1st Generation PB highlights the predominance of ‘aggregative’ models of PB, where voting takes place without prior substantial dialogue and deliberation about evidence, issues, priorities, aspirations and trade-offs
- In contrast, ‘deliberative’ models can increase the democratic quality of PB by allowing exploration, discovery, learning and scrutiny, which in turn can generate more robust, informed and considered decision-making
- When PB provides spaces for dialogue and deliberation between citizens, elected representatives, civil society organisations and public authorities, it creates opportunities for collective reflection, innovation and action
- Deliberative quality is important regardless of the PB model, but arguably more so for 2nd Generation PB entailing mainstream budgets and services.

Oliver Escobar:

Then, something very close to my heart and that I keep banging on about and I'll keep going on about it because to me this is what can make PB transformational. PB needs to be more than just voting or a number of options. PB needs to be about the discovery and the scrutiny and the development of initiatives, and ways of solving problems and ways of developing services that are based on evidence, on local knowledge, on the perspective of a variety of people in the community and in the system. For that to happen, there needs to be dialogue and deliberation. There needs to be communication, and so on. Voting on its own, I don't think it's enough to make PB transformational. PB processes need to include dialogue and need to include opportunities for people to meet each other in the community and across the geographic areas where the PB process is taking place so that solidarity can be built, an understanding of each other's priorities and needs can be built. This thing that we call deliberative quality is essential to any PB model but for mainstreaming PB, for the second generation of PB, is even more essential because we're talking about public budgets. And that expenditure needs to be scrutinised properly needs to be open to the perspectives of a range of citizens and policy makers and service providers and so on. That requires opportunities to deliberate, to sit together and in the light of the evidence, try to make the best possible decisions for how money should be spent.

SLIDE 19: Placing social justice at the heart of PB

- The main impacts of the community grant-making model that has been dominant in Scotland and England typically relate to increasing participants' confidence and social connections, as well as immediate local benefits resulting from the funded projects
- If 2nd Generation PB in Scotland is to be mainstreamed according to a more explicit social justice agenda to tackle inequalities, this requires a fundamental shift in how public services are delivered.
- PB in this form may entail structural and governance changes and redistribution of public resources to disadvantaged regions and communities, alongside tailoring service delivery based on community priorities and contexts.

Transcript: Participatory budgeting and its potential for community empowerment and social justice

- This system-wide approach to PB is long-term and arguably more likely to foster the reduction of inequalities and the improvement of life-course outcomes for disadvantaged communities

Oliver Escobar:

Social justice is the other component that is at the heart of PB in Scotland, at least if we are to trust policy statements and the ambitions that have been put forward by civil society organisations and various levels of government in advancing PB. We saw that in the first generation of PB those 50 processes, 50 cases that we studied in our review and some of them had a focus on inequalities. But the impact has not been very large because, well partly because we were talking about smaller pots of money and that's part of it, but also because the focus on inequalities wasn't always as strong as it should have perhaps been. So the opportunity for the processes that are going on just now and for the mainstreaming of PB is to be a little bit more, have a bolder focus on social justice. You know, this is it is about bringing the R word into all of this: redistribution. You know the best PB processes those that tackle inequalities, that help to remedy injustices, that redirect services and money to what they should be going. They tend to have mechanisms that build redistribution into the process.

This is easy to exemplify. There's a local authority that a few months ago I was discussing the mainstreaming of PB with a number of councillors and so on, and they were explaining to me – I'm going to change the details because this was a confidential conversation – but they explained to me that they had, let's say a million pounds, and they had five different areas within the local authority. Two of those areas were highly deprived and disadvantaged. One was somewhere in between and the other two were fairly advantaged in many ways where they were they were now facing the number of issues that the other two localities were. They decided that the million will be split five ways so 200k for each of the areas. Now, that is problematic from the perspective of redistribution because the areas that are already well-off will take that money and make things happen with it. But the areas that suffer disadvantage, that money won't make necessarily a dent or not as much as it will make in the well-off areas that already have the social capital, the resources, they know how to play the game. They know how to get stuff done. A more fair distribution would be to split the pot according to need, and so it's important when considering how PB is going to be organised how to build redistribution into the way PB is built.

SLIDE 20: Key challenges

- Cultural challenges: PB requires reshaping mind-sets and ways of working, so that participatory governance can take hold. This requires learning and commitment from public and third sector organisations, elected representatives, community groups and citizens.
- Capacity challenges: PB requires a range of skills including process design, organisation, coordination, knowledge brokering, communication, mediation and facilitation. It also takes local knowledge and the know-how to build trust, negotiate competing agendas and create spaces for meaningful dialogue and deliberation.
- Political challenges: PB can bring a new type of participatory politics that may clash with established relationships and dynamics and challenge the status quo of existing organised interests in a particular community. It can also clash with party politics and electoral dynamics, and it may be

Transcript: Participatory budgeting and its potential for community empowerment and social justice

difficult to build the cross-party support that can give PB a stable framework for long-term development.

- Legitimacy challenges: As with any public participation process, there is the risk of tokenism by which PB may become a symbolic rather than a substantial opportunity for community empowerment. In the current financial context of austerity policy, there is also the risk of using PB for merely administering spending cuts, and this may undermine its perceived legitimacy.
- Sustainability challenges: All of the above suggests that PB requires sustainable funding, long-term commitment, on-going learning and adaptation and perhaps institutional reform. Accordingly, it can take years to bed it in and make it work effectively.

Oliver Escobar:

Now, lots of words here. I'm not going to stop too much on this but just to point out the challenges before I wrap up. This won't be new to those of you who have been involved in community engagement work or community empowerment activities over the years, but some of these challenges are perennial and now they apply to PB. There are cultural challenges, all of these require a change in mind-sets and ways of working. That means changing mind-sets across public, third and community sector, and that's not always easy as we know. We know this from the challenges of applying the principles of community planning. We know this from the history of partnerships in Scotland back to the social inclusion partnerships. We know it from a number of other developments that show that sometimes it is easy to structure but very difficult to change mind-sets. Mind-sets that have to do with sharing power, with having a more facilitative style of leadership rather than a more traditional style of leadership and so on.

There are, as I mentioned earlier, capacity challenges. PB requires a very broad range of skills: knowing how to design a process all the basics of organising, coordinating, building evidence into the process, the knowledge brokering function, obviously the more traditional communication element communication and PR, and also the very necessary mediation skills and facilitation skills that have a massive impact on whether PB is an inclusive process that really reflects the diversity of communities.

There are of course political challenges. One of the biggest threats to PB in other countries has been the lack of cross-party support. In Scotland. We have an advantage in the sense that Scottish Labour Party, the Scottish National Party and the Greens all have supported PB. And they are all, in theory at least, on board with PB. That provides some cross-party support. Of course the Conservatives are missing but perhaps that's something that can be worked on. The reason this is important is because otherwise there is a risk that PB becomes a political football. Something that only some administrations do rather than this is the way the administration works regardless of who is in power. So there are issues to do with making sure that there is understanding across political parties that this is about community politics, community values, community action rather than party politics. This also applies to existing communities of interest and community groups that perhaps had some advantages in the way public money has been allocated so far and now that some of those budgets might be open to broader community participation. They might feel threatened by new groups and the participation of a broader base of citizens coming into these spaces. We need to be aware that this can feel like a threat for those community groups who are already well established and it's

Transcript: Participatory budgeting and its potential for community empowerment and social justice

important that they are brought on board and they understand that this is about broadening the democratic credentials of how we do local budgeting.

There are of course legitimacy challenges. We are in austerity times, austerity policies. It's kind of shaping all of, basically most of the work, the public sector does in one way or another. And the risk is that PB might become a symbolic way of addressing some of the challenges to do with administering spending cuts and so on. That would be a tremendous blow to the legitimacy of PB and so we need to be careful that PB survives austerity times, however long that might be. And then there are sustainability challenges. This has a lot to do with learning about what we are doing. There is no perfect PB model. We still don't have... My sense is that [by] mainstreaming PB in the next few years we're going to see a number of models developing locally according to local context, to the culture of a particular local government administration to the needs of a particular geographic area.

And we need to take that opportunity to learn from the variety of approaches to mainstreaming that are going to be developed and to make sure that we keep that learning, that we could share in that learning across some of the national networks so that we can see what works and what doesn't. Also that we create a space to fail and to fail positively as in it might not have worked well last year but now we know better and we know what needs to change and we are given this space to make it happen and to take into account the lessons from the previous cycle. That's a space that is precious and difficult to get and this is up to some of the senior leaders in formal positions to create a space where learning is valued rather than just pretending that everything is just going according to plan, which seldom happens.

SLIDE 21: Concluding

- PB has become one of the most popular democratic innovations of the last three decades
- This is partly due to its potential for tackling inequalities, addressing local issues, improving governance and increasing civic engagement
- Its global spread has been enabled by conceptual and practical malleability, which allowed it to be adapted around the world according to disparate logics and motivations and with varied consequences
- In Scotland – PB blends 3 policy agendas which must guide mainstreaming:
 - Public Service Reform – reforming institutions and service where necessary
 - Social Justice – building redistributive mechanisms into PB processes
 - Community Empowerment – ensuring that citizens are the decision-makers (in collaboration with the institutions and services that represent and serve them)

Oliver Escobar:

Concluding, I don't need to tell you that PB is one of the most popular democratic innovations around the world. If you go to the Participedia website, the Wikipedia for participatory nerds, such as ourselves here, you will see lots of examples from all across world. This popularity is due to the potential that PB has shown in other places for tackling inequalities, for addressing local issues, for improving governance and for increasing civic engagement. But this spread across the world has also meant that there is the concept and

Transcript: Participatory budgeting and its potential for community empowerment and social justice

the practice of PB has had to be very flexible, very malleable because it had to be adapted to all sorts of contexts, logics and motivations and agendas.

This means that there is no standard mainstreaming model of PB. This is an opportunity and a risk. It is an opportunity because it allows us to make sure the PB is built on how Scottish communities want to govern themselves. But it's also a risk because it can be this flexibility can be used by some public authorities to argue that they are doing PB. Well, perhaps they're just doing a fancier version of their previous consultation processes. So for me, personally and as a researcher, I welcome the diversity of approaches that are developing and are going to be developed. We are going to learn a lot from that but we need to keep three key policy agendas of the heart of whatever model of mainstreaming we'll go for in each local authority. And those three elements are to do with public service reform understanding that sometimes we will have to reform our local institutions and services so that PB can really complete to making those institutions and services work better.

It's also about keeping the social justice agenda at the heart of this. Being bold enough to include the redistributive mechanisms into PB processes, and making sure that the core component of PB, the community empowerment element, is at the heart. That means in the end it is citizens that make the decisions, of course in collaboration with institutions and services involved, but with citizens ultimately making the democratic decision of how public money is spent. If we are able to look back in ten years and we are able to say PB has helped us to reform public services in the right direction, to improve our social justice credentials and to ensure that community empowerment is not tokenistic but meaningful, and there is a real sharing of power across communities in Scotland then we will have done our job so hopefully that's where we're going to end up. But it really is up to all of us doing our bit and in that direction.

Thank you.

SLIDE 22: Thank you

SLIDE 23:

- Website whatworksScotland.ac.uk
- Twitter [@WWScot](https://twitter.com/WWScot)