

## Chapter 9

# Participatory Budgeting in the United Kingdom

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### Introduction

Participatory budgeting is, in brief, local people deciding how to allocate part of a public budget. A longer definition that has been officially recognised in the UK is:

'Participatory budgeting directly involves local people in making decisions on the priorities and spending for a defined public budget. This means engaging residents and community groups representative of all parts of the community to discuss and vote on spending priorities, make spending proposals, and vote on them, as well as giving local people a role in the scrutiny and monitoring of the process.'<sup>19</sup>

Participatory budgeting began in the 1980s in Brazil, following the reinstatement of democratic governance after a long period of military rule. In the city of Porto Alegre, state officials told the people living in the very poor areas that there was no money to improve their living conditions. The people lobbied for a very small amount of the state budget to be used in their areas, and eventually managed to obtain about 0.5 per cent of the budget. They then used people's assemblies to decide how the money should be spent, and participatory budgeting (PB) was born.

Now, over 300 municipalities all over the world are using PB. In Porto Alegre local authorities have devised a system where up to 18 per cent of the municipal budget is allocated by PB. They have neighbourhood assemblies in which issues are discussed and agreed upon; these are taken by elected delegates to city-wide meetings where, after a period of time, the list of priorities for each neighbourhood is agreed and projects to address the priorities are agreed. The city government then works to implement the projects.

The purpose of PB is to open up public budgets to citizens to encourage transparency and greater accountability in the way that public resources are allocated. Its purpose is also to empower citizens to get involved in their local area and to feel that what they say has an impact. In the United Kingdom, representative democracy is at an all-time low with very low electoral turnouts and many people feeling that they cannot influence decisions about their area.

In 2007–08, only 39 per cent of the population had been involved in some form of civic participation (the lowest level of involvement measured). Only 38 per cent of people felt

they could influence decisions in their local area and only 20 per cent of people felt they could influence decisions affecting Great Britain (Communities and Local Government, 2008d).

The purpose of PB in the UK is to reinvigorate democracy, to provide participative democracy that supports and coincides with representative democracy. From the PB Unit's point of view, those that are in poverty are in receipt of the most public services and their lives could be improved and poverty reduced if those public services were delivered in a way that met their needs and empowered them to become more involved in their community.

In 2000, a group of activists from Salford and Manchester went to visit Brazil to find out how PB worked in order to bring it back to the UK. On returning, they started to work with third sector project Community Pride Initiative (CPI) to develop some possible models that would work in the UK context. In 2003 the first PB pilots were launched. In 2004, a central government department decided to fund some PB work.

In 2006, the Participatory Budgeting Unit was officially formed (as part of the charity Church Action on Poverty) and continues to be funded by the Ministry of Community and Local Government (CLG). There are over 65 PB projects happening in England, and over 100 areas interested in starting PB, with more in Wales and some starting in Scotland. However, what is more interesting than the numbers is the variety of different projects and processes being developed.

## **Applying the concept in the UK**

This chapter looks at two different projects to demonstrate some of the variety in participatory budgeting in the UK. The first case study is from Manton in Nottinghamshire. Participatory budgeting started in Manton in 2006 and is going from strength to strength. The unique aspects of this project are the way the organisers and authorities work with the community at every step of the process, how they use actual ballot boxes to encourage voting and an approach that encompasses both public sector services and community or voluntary sector projects. Manton has also been successful in getting other public sector partners involved in the process and allow some of their budgets to be allocated by PB. The amounts of money are still relatively small but their ambition is to allocate far larger amounts of money and in the process improve public services for a very deprived area.

The second case study is about children and young people in Newcastle-upon-Tyne. In Newcastle they have taken a fairly radical and innovative step by opening up a budget of £2.25 million for children and young people to decide how it should be spent on activities for them. Not only is the budget decided on solely by people under the age of 13, they have actively engaged with vulnerable and disadvantaged young people and put them at the centre of the process.

To understand how PB has developed in the UK, it is important to understand the background of how and why it came about.

## Background

Participatory budgeting is being implemented in the UK against a backdrop of highly centralised government fiscal control alongside a community empowerment agenda that is aimed at devolving decisions and power down to local communities with explicit support of PB. The two policies do appear to conflict, and because of this the way PB is implemented is quite different in the UK than elsewhere in the world.

Another key difference is the motivation for bringing PB to the UK. Participatory budgeting was brought by local civil activists focusing on community empowerment, rather than left-wing politicians as in many of the other European nations (Rocke, 2008). For this reason it has been seen as an empowerment tool.

Former Secretary of State Hazel Blears incorporated PB as a key part of her policy, but until this happened not only was PB relatively unknown, it was also not seen as a political policy. In 2003, PB went from being something that very few people were involved in, to a policy of central government. Blears, then Communities and Local Government Secretary and MP for Salford, decided that PB was central to the achievement of the government's empowerment agenda.

Central government's ambition then became for every local authority (municipal government) to implement some form of PB by 2012. To support this, PB formed an integral part of the Communities in Control: Real People, Real Power white paper (CLG, 2008a), and government subsequently produced a national strategy for PB (CLG, 2008b). A key aspect of the white paper (which has since received ascension and become the Local Government and Public Involvement in Health Act 2008) is the 'duty to involve'. The duty to involve 'requires named bodies to take appropriate steps to involve people in decisions, policies and services that may affect them or be of interest to them.' (CLG, 2008:28).

The duty is enforced through the new comprehensive area assessment (CAA), which is the successor of the corporate performance assessment (CPA). The CAA assesses local authorities and other local public sector agencies on their performance and plans for the future. Local authorities are graded and ranked according to a set of criteria. One of those criteria is the *Use of Resources Key Line of Enquiry* (Audit Commission, 2008), which is concerned with good use of public resources.

Part of that assessment is based on whether citizens have been involved and engaged around the decisions made in the use of financial and other resources that are at the public body's disposal. Furthermore, PB was not just a one-department policy, as it gained the support of former Home Secretary Jacqui Smith. In a policing green paper produced by the Home Office, there is explicit support of PB:

'The Home Office and CLG, working with volunteer police forces and local authorities and building on existing participatory budgeting schemes, will pilot Community Safety Participatory Budgets in a few forces this year. This will build understanding of what works best and inform wider roll out in 2009.'

(Home Office, 2008:20)

The Home Office financially supported 24 community safety PB pilots in December 2008

to March 2009, with £20,000 each to use towards PB. Many provided match funding to the £20,000, increasing the pot of money to be allocated.

The PB Unit is working to widen central government support. By putting PB as an integral part of legislation designed to empower communities and give more power to citizens and including citizen involvement and engagement within the inspection and assessment of local authorities and other public sectors has brought PB into the spotlight and there is an increasing interest in PB and diversity in how it is applied.

Central government support of PB successfully raised awareness and prominence of PB among the public sector in a way that would not have been possible otherwise. There would have been far fewer projects in England without central government's overt support. This is demonstrated by there being significantly less PB activity in Wales and none to date in Scotland or Northern Ireland. This is now changing and the Scottish Executive is showing an interest in PB.

On the flip side, it has also served to politicise PB. It is now seen as a Labour Party policy and Blears' policy in particular. Both the Conservative and the Liberal Democratic Parties have policies of community engagement and empowerment within which PB could sit, but as it stands there are political vulnerabilities with PB in the UK. In keeping within Church Action on Poverty the PB Unit has retained some distance from political wrangling and PB continues to have credibility as a tool for improving the circumstances of people in poverty. Because the PB Unit is part of a charitable organisation within the third sector it is able to create that distance from government when needed and to influence from outside the public sector, perhaps finding ways around barriers that civil servants are unable to overcome on their own. It is also able to retain credibility within the sector, which is vital to empowering communities.

## **Variations in participatory budgeting**

Participatory budgeting has not been going for very long in the UK, so there is a great deal of innovation and variation across the country as people have tried to establish which processes work best in which situation. There is also a good deal of variety in models being adopted in different areas. Over time these practices are expected to become more embedded and standardised. Variations are seen in a number of areas including:

- The amounts of funds available for allocation: £500 to £2.4 million;
- Numbers of people participating: 13 to 1500+; and
- Political party involvement.

In fact, there are projects run by all the political parties. There are projects being run in very small rural parishes and urban neighbourhoods of a few thousand residents to city-wide and even county-wide projects covering wide geographic areas and many thousands of residents with a complete mix of needs. Below is a brief summary of the different models and other differences.

## Community grants schemes

Participatory budgeting community grants schemes are very popular in the UK. They are generally relatively small pots of money, which are distributed to the local third sector (community and voluntary groups). The groups apply for the funding to implement a project that meets the aims of the area or the funding criteria (if any have been specified). Local citizens will be involved in agreeing the aims or priorities of the area and suggesting possible solutions or projects that meet those priorities. There is a sifting process by the steering group (usually citizen-led) to remove those projects which do not meet the criteria or priorities or with which there is concern about financial accountability or other aspects of the group itself. Then either at a decision day or through a decision process (for example postal voting or ballot box voting) citizens hear about the projects, deliberate amongst themselves about the projects and vote on which ones should receive funding. The funds are allocated according to the votes until the money is used up. Citizens can also be involved in the monitoring and scrutiny of the projects.

‘They provide an immediate connection between decision making and spending, are highly participatory and create a real local feel to the process of allocating resources. Small grant schemes help foster social cohesion as they bring local people together and they can help to develop closer working relationship between officers, councillors and the community.’

(PB Unit, 2008b:12)

Some people would not consider this to be participatory budgeting per se, in the Brazilian interpretation of the term, but to be participatory grant giving. This is because it is not about the redistribution of public resources and services but the giving of public sector funds to the third sector (community and voluntary groups). However, it has been found to be a useful entry point to PB and so far has proven very popular in the UK as a way to ‘test out’ PB with small amounts of money which do not directly impact of public services, before councillors commit to much bigger sums and much more involvement by citizens in public services.

The case study from Manton falls into this category. The level of participation and engagement in Manton is a demonstration of the community’s commitment to PB and also to proper community engagement processes.

## ‘Mainstream’ funding/public services

Using mainstream funding is about changing the way services are delivered in neighbourhoods. By using core service budgets (whether that’s top sliced and devolved to sub-municipal areas or if it’s by service area) there is a much greater impact on the local authority in terms of changing relationships between officers, councillors and communities and also the way the local authority goes about its business. Because of these changes that can occur, mainstream budgets used for PB can have a much more transformational impact on people’s lives.

We are beginning to see a shift in approach from the community grants pots to more mainstream funding PB initiatives. There has been growing scepticism about the value of

community grants pots, particularly in an economic recession when there are no 'extra' pots of money available to be given to other organisations, but people are beginning to realise that by allocating mainstream budgets via PB they can actually engage with and have the community 'on board' with the local authority funding plans at a time when resources are scarce.

In the London Borough of Tower Hamlets, which is a very ethnically and also financially diverse area (including the regenerated London dockyard area, but also areas of high deprivation), authorities have allocated £2.4 million of mainstream budgets via PB for 'top-up' services in all their wards in March and April 2009. The services were linked to local priorities identified through local meetings with citizens.

Citizens then attended events in their area, heard about different projects and services, deliberated the options and voted on which services they would like to see in their area. This was not about basic service provision but about additional services or 'top-ups' to enhance services already provided. What was most interesting was the 'contract' that was agreed between the service providers and the community. The service providers set out what the community could expect of the service but also what the service expected of the community (i.e. sense of responsibility, to not deface public items such as park benches etc.) so that a dialogue has begun in which there is a shared sense of responsibility between the public sector and the community.

As this process is still ongoing and evaluation has not yet been completed it could not be included here as a full case study, but it is expected that this kind of PB activity will become more commonplace.

The Newcastle Children and Young People's project does come under this category. The Children's Fund that was being allocated was additional funds from central government rather than service budgets already being used. Nevertheless, the children did engage in commissioning public services rather than allocating funds to community projects.

## **Communities of interest**

This is a term to indicate using participatory budgeting with particular groups of people rather than all people in a geographic location. Communities of interest in the UK have included, so far, children and young people (one project worked with children as young as six years old) and social housing tenants on specific housing estates. The Newcastle Children and Young People's project detailed in this case study would fall under this category (as well as the mainstream funding approach).

There can be a mixture of approaches depending on the process, the people participating, the amount of money and what the money should be used for.

## **Partnership approaches**

This is another term that encompasses a variety of different partnerships and processes. Partnerships to date have included local strategic partnerships (statutory partnerships of

all local public sector bodies with private and third sector representatives), crime and disorder reduction partnerships (partnership of local bodies involved in crime and disorder reduction), informal partnerships between 'new deal for communities' or neighbourhood management bodies and other public sector bodies such as the local health trusts or police forces.

Partnerships can include the pooling of financial resources: for example, recent police pilots have included the pooling of home office funds, police authority funds and local authority funds into a larger pot for allocation by PB. Partnerships can also be the pooling of staff resources or general support for PB, but with the staffing and financial resources coming from one partner. Partnerships can cover wider geographical or thematic boundaries than single organisations, which can spread the effects of PB further and include more people. It is also a way for organisations that are trying out PB to spread the risks.

### **Case study 1: Voice your Choice in Manton, Nottinghamshire**

Manton is a large residential estate in the south-east ward of Workshop in Nottinghamshire. It has a population of over 6,500 residents; the estate is a former coal mining village and was built around the mine that closed in 1994. Since 1994 Manton has seen high levels of deprivation and is one of the most deprived areas in the UK (ranks 94 out of 356 areas) with low income levels and high unemployment, low health outcomes, high levels of social housing, low educational attainment and high crime levels (CLG, 2008c). Manton has a low electoral turnout rate of only 22 per cent compared with the county rate of 35 per cent and the national rate of 42 per cent. Most people in Manton had never voted before.

The short-term aim of the process was to build trust within the community and to give residents real power over the way money allocated to Manton Community Alliance (MCA), a third sector organisation with responsibility for neighbourhood management, is spent in the area. The board agreed that residents would never really have any power until they held the purse strings for their area and felt as if they could make a difference. In the longer term, the aims are to increase democratic activity in the area and shape the way organisations deliver public services in the area.

In 2006 MCA decided to pilot participatory budgeting. The aim was to allocate a budget for priorities in the area that have been set by the community. In 2007 the MCA board agreed to give the opportunity for local residents to decide where £50,000 of MCA's money should be spent through a participatory budgeting process.

In 2008 the MCA board gave £40,000 and Bassetlaw Primary Care Trust<sup>20</sup> agreed to give £10,000 of their budget to the process. In 2009, the Primary Care Trust planned to give part of their budget along with the local police authority and MCA (final figures have not been confirmed). After two cycles of the process the pilot had achieved a total of 1,554 votes. Participation in the second year of PB increased by 113 per cent, with 1,056 votes over the process compared with 498 in year 1 (1,056 votes equates to 14 per cent of the population of Manton).

A steering group comprising residents and councillors was set up to organise and direct the PB process. In 2007, the scheme was promoted as 'Voice your Choice' and there were three stages to the process:

- 1 People decide what the priorities for Manton are through local events;
- 2 People decide what proportion of the money is allocated to each priority; and
- 3 People decide which project/organisation gets the money to address the identified priorities.

For the first stage the organisers used a 'Budget Bingo' sheet (bingo is a game that residents could easily understand and relate to). The bingo sheet had 42 priorities that were identified using the knowledge collected from issue focus groups and resident members. People were asked to number their top five priorities, 1 being the most important.

The second stage was the money allocation and to give a real feeling of voting making a difference they used official local authority ballot boxes and Manton money (each resident was given M£50,000 in M£5,000 denominations). Residents were asked to put the amount of money they wanted to spend on a priority into one of the ten priority boxes that had been identified from the budget bingo.

Once the first two stages were completed, local organisations, groups and services were invited to bid for the money by offering projects that would address the priorities. The scrutiny panel reviewed the bids and shortlisted projects against the application criteria for the project voting stage.

In 2007 the groups and organisations were invited to promote their projects at a voting event held in a community hall. Each project was given the same amount of space and time to promote their idea. People were asked to register for their voting sheet at the entrance.

After the 2007 process, an evaluation identified that having a room full of displays for projects that are competing against each other could potentially cause tension between community groups, so in 2008 a different approach was taken. A DVD was made of each of the proposed projects in the form of a short TV-style advertisement for their idea. Each of the projects submitted the outline of the project and the script was developed by MCA staff to make sure that each project was given the same amount of time.

The DVD meant that people were no longer confined to one place and time to vote. The organisers visited numerous community groups and organisations with the DVD. It was also played in local cafés and work places as well as special voting points that were set up. Voting took place over a week to make sure that more people got the chance to vote. Each of the events and stages were promoted by advertising in the local newsletter, through the website, leaflets in schools and shops inviting people that had voted in the previous year or had been involved in other MCA events, and by word of mouth.

## Outcomes

Many people taking part in the process had never voted before. Participation in PB in year 2 (2008) increased by 113 per cent with 1,056 voters compared with year 1 (2007). The

process led to public services being more closely linked to particular local priorities. It is hoped that this will bridge an expectation gap as some services are adjusted to suit local need.

Although further evaluation is needed regarding outcomes there is evidence that environmental services are changing because of participatory budgeting. For example, improvements have been made in the provision for removal of white goods from the area, which previously was not happening and was causing 'flytipping', or the illegal dumping of waste. Investment into the redevelopment of Manton Club (one of the projects to receive funding via PB) is delivering substantial return in attracting external funding into the venue. The Manton Club is a major facility locally and this re-development will deliver added value to Manton and the surrounding area in terms of access to sport, improved public health and more activities for children and young people. The PB process has given £5,000 towards the redevelopment of the club. As a result of this investment, the club has attracted a further £37,000 in other funding for the area. On top of that, most projects came with either match funding or a contribution towards the projects.

This has resulted in a further £18,500 being invested into the area on the back of the PB process. The first event in 2007 got very positive feedback from the community who found it 'interesting to see various projects', and felt 'it is time to see something being done in our community' and that it would 'foster good relations between the community and the police'. People participated 'to make a difference' because they 'felt a need for change in the community', and to 'have a vote'.

Ward councillors were also positive about the event. They felt that Manton Community Alliance was achieving a lot for the area and that PB was helping to build a sense of community.

## The future

Manton had £100,000 to allocate via PB in 2009–2010, which includes funds from Nottinghamshire County Council and possibly the Primary Care Trust (although this has yet to be confirmed). This increase in funding and in public agencies providing financial commitment to the process demonstrates not only the project's effectiveness in engaging with partners but also their ability to leverage money for the area.

Members of Manton Community Alliance realise that their neighbourhood management project will come to an end as the funding agreement with central government ends. It is quite important to them to embed their various activities with the public sector in the area so that the work is continued, including PB. Thus their aims for the future are to encourage public sector partners to contribute to PB by:

- Committing finance into the process;
- Committing to deliver particular services to meet local priorities highlighted by a PB process;
- To apply the outcomes of PB into mainstream service delivery; and
- To merge the PB process with the development of a neighbourhood charter.

To this effect, Manton are planning to link PB to the neighbourhood agreements the public sector services have with the area. The priorities identified through the PB process will be used to ensure that the priorities identified in the agreement correlate with what local people have said.

Part of this plan also includes asking each service provider to allocate a portion of their budget to specifically tackle the locally identified priorities. While this is not direct decision making by residents, it is a step nearer to them being able to influence service delivery in Manton and to ensure it meets their needs.

## **Case study 2: Newcastle Children and Young People's 'Udecide'**

Newcastle-upon-Tyne (normally referred to as Newcastle) is the twentieth most populous city in England, located on the river Tyne in the north-east of the country. During the industrial revolution it was a major centre for coal mining and manufacturing. As in many other northern English cities, manufacturing heavily declined in the second half of the twentieth century. Newcastle has a population of nearly 260,000. The population has a strong mix of different ethnicities (Wikipedia). Like most large cities in England, Newcastle has a mix of affluent areas and areas of high deprivation. Newcastle ranks 37th out of 256 in the indices of deprivation (CLG, 2008c).

Newcastle has been implementing PB, which is branded 'Udecide', since 2004 – mostly in ward areas with adult participants. Participatory budgeting has a strong profile in Newcastle and the council has a commitment to embedding it for the long term. In May 2008, 139 young people voted at a participatory budgeting event in Newcastle to allocate funds for the city's £2.25 million Children's Fund.

It was the latest in a series of events held as part of the city's Udecide participatory budgeting programme which has given thousands of children in the city the opportunity to influence the allocation of £3.81 million to improve the lives of their peers. In the previous year, young people were able to try out PB with a £120,000 fund. But in 2008, the amount of money allocated was significantly increased, as were the numbers of participants.

Recognising that children and young people are the experts, the project aimed to give those young people in the city who were most likely to benefit from the fund a chance to have a real say in how it was allocated. The project also sought to demonstrate that participative approaches could be reconciled with complex decision-making processes by integrating the popular Udecide method with the fund's procurement arrangements. Finally, by challenging providers to pitch their idea to young people, the project aimed to make them think differently about their services and how they involve young people.

The fund targeted those young people aged 5 to 13 who were most at risk of low self-esteem, poor school attendance and entry into the criminal justice system. The project therefore engaged children and young people across the city, in a variety of settings, who closely matched this profile, by involving a targeted group of projects and schools. Many of the children involved were previously unknown to the council children's services department.

This project was also the first in the programme where the young people voting were not always direct beneficiaries of the project ideas, so the Udecide team were interested to see whether the young people would remain interested in spending decisions.

The project involved 450 young people at various stages of the process. These young people are often considered 'hard to reach' and came from a variety of settings including a pupil referral unit (works with pupils who have been or are at risk of being excluded from school), a young careers group (children from families where a parent or sibling has a major illness or disability) and a number of black and minority ethnic (BME) groups. Their enthusiasm and commitment have shown that, with the right method, these young people are eager to participate, setting a new benchmark for the engagement of young people in the city.

The children and young people were asked to evaluate the bids against a specific set of criteria, worth 20 per cent of the overall decision. The young people would score the bids against the criteria at a special Children's Fund Conference using electronic voting. The criteria were in the form of three questions:

- 1 Were young people involved in creating this idea and would the project listen to children and young people?
- 2 Will it reach the young people who need it most?
- 3 Will it make a difference?

Every young person had to complete three preparatory sessions in order to attend the final Children's Fund Conference, where delegates from each group would score the bids. In the first session, the young people thought about their experiences and those of others to offer advice to three imaginary characters, drawn by the young people, who were facing particular challenges associated with the three themes. Using some dummy projects, the young people explored the criteria questions in the second session and began making judgements based on these criteria and the findings from the first session. By the final session they were ready to take a look at the final short-listed bids and begin thinking about how they might vote at the conference. Over the three sessions the young people built up their knowledge incrementally, applying learning from previous sessions to each successive session so that, by the event, every child could feel confident casting their vote.

An important element of Udecide's success has been its transparency. The introduction of electronic voting in the second year of the pilot enhanced this transparency, with participants able to see immediately how their votes had made an impact. The procurement (of public services for children) process is notoriously complex and it was essential that this transparency was retained in the eyes of the young people involved. For the remaining 80 per cent of the procurement process, projects would be scored 0, 1, 2, 3 or 4. The Udecide team decided to adopt this scoring for the engagement with young people, as opposed to the conventional Udecide 0–9 system, so that their scores fed transparently into the overall decision-making process. Officers could then evidence, on their return visits to these settings, exactly how the young people's participation had affected the final allocations.

The 'competitive' element of past Udecide projects (because people were bidding for a pot of money for a project in a community grants scheme approach) has also added to the exhilaration of taking part and team members were interested to see whether the young people would respond so enthusiastically to a Udecide process where they were not direct beneficiaries (because it would be public services that were allocated the funding, not community projects). The increased focus on deliberation, however, both in the preparatory sessions and on the day, brought a new dynamic to the fore with young people embracing the opportunity to share their opinions with each other and represent their peers.

## Outcomes

The Children's Fund Conference was the city council's most ambitious Udecide project to date. The scale of the engagement, the magnitude of the decisions, and the rigour demanded of the process were unprecedented. These challenges were compounded by the short timescales in which the work had to be delivered. However, the engagement was successful in terms of both breadth and depth.

Four hundred and fifty young people took part in the process from all parts of the city. Although these young people are often considered 'hard to engage', experience from this project has shown local partners that the barriers to engagement are not insurmountable and that the young people are eager to have their say, with 93 per cent saying they enjoyed the Conference. The views of young people captured in the three sessions also provide important intelligence which Children's Services can feed into future activity.

Moreover, the project has challenged local partners' ideas of procurement and dispelled any comfortable notions that participative approaches cannot be transferred to more rigorous decision-making environments. The project acted as a mandate for local providers to think differently about their services and give more priority to the views of young people in the design, promotion and delivery of these services.

In terms of the operating structures, the approach is becoming more streamlined as the Udecide profile grows with more resources and commitment offered from both the public and third sector to support this project. This broader, cross-sector support will be critical to the sustainability of the method.

Five of the top six projects chosen by the children at the event were successful with their bids, while five of the six lowest rated projects were unsuccessful. This reflects the impact that young people's involvement had on the final outcome.

The project was awarded the Eurocities Award for Participation in November 2008 for the ability to change and modernise through participation. The award recognised the contribution to creating strong communities by involving and listening to people and by innovating.

## The future

In a recent evaluation, Udecide realised that the area they needed to develop most was the area of deliberation. Most of their decision-making events did not, they felt, provide suffi-

cient time and focus to enable real and effective deliberation among participants. As a result they piloted increased and focused deliberation at a decision-making event in Newham ward using money provided by the Home Office for community safety projects. The results of the pilot were positive and they plan to develop the deliberation aspect further.

Newcastle are developing a five-year plan for participatory budgeting, which includes implementing participatory budgeting processes in all their wards, and continuing their work with children and young people.

The plan also includes moving to more mainstream budgets, to influence how services are delivered in the wards. Newcastle continues to be a key PB project, innovating with new areas within which to develop PB. Their plans include the creation of a 'PB academy' to share knowledge and expertise within the council and its partners beyond the small team that currently runs PB in Newcastle. The PB Unit will work with Newcastle to develop the academy with a view to sharing experiences across the UK.

## **Next steps for PB in the UK**

Participatory budgeting continues to grow from strength to strength in the UK, with more areas undertaking innovative and ambitious projects as well as more areas overall trying out PB. Central government remains strongly supportive of PB and still aims to have every local authority implement PB by 2012. As the number of projects continues to grow, the PB Unit's focus is shifting from quantity of projects to the quality. We are concerned with developing some good practice models for others to adapt for their areas. We would like to see more mainstream budget approaches which are transformative in their outcomes in terms of providing services that people really want and need (especially the poorest).

The amount of innovation is encouraging, as in the children and young people's project in Newcastle where they succeeded in engaging with young people who traditionally do not engage with public sector in such a way that they could participate and understand complex procurement procedures; and also the level of community engagement and strong partnership working achieved in Manton. Their commitment to embedding PB within public services demonstrates that PB is beginning to move from the community grants pot approach to have a public service focus that will bring about real transformation in the relationship between the public sector and the communities it serves.

We are keen to see the outcomes of projects such as the Tower Hamlets allocation of £2.4 million across their borough as these will feed into PB which is still fledgling in the UK. Given the strength of commitment the projects have to PB, it is unlikely PB will disappear from the UK altogether, although the change in government could mean that there is less overt support for it centrally so that it does not develop into more meaningful processes with real empowerment outcomes for citizens.

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The case studies have been reproduced in part on the PB Unit's website. For more information on the case studies please visit our website or contact the organisations directly. [www.participatorybudgeting.org.uk](http://www.participatorybudgeting.org.uk)

## Note

19 Reference found on website <http://www.participatorybudgeting.org.uk/about>, [accessed 3 August 2011].

20 Primary Care Trusts manage provision of healthcare services in a specific area of England.