



PB Unit
making people count

Participatory Budgeting Values, Principles & Standards

September 2008



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Purpose of this Document

Done well, Participatory Budgeting (PB) empowers communities, gets more people involved in democracy and improves local public services. This document sets out the distinct values, principles and standards needed to run a successful PB programme.

We have drawn up this set of PB values, principles and standards after consulting with key practitioners, colleagues in the PB Unit and the Department for Communities and Local Government. Some other engagement processes share, along with community development¹, similar values, principles and standards. We have included these as an appendix.

These PB values, principles and standards will help practitioners work to a framework, which allows the use of a light touch, while keeping the purpose of PB in mind. PB is still evolving in the UK, and because it can benefit from new approaches and risk-taking, the values, principles and standards will be reviewed and revised as it evolves.

We are doing a number of things to develop and improve the standards, including monitoring and evaluating their usefulness in four pilots – two existing PB projects and two or three that are just starting up. This will feed in to a revised version in 2009.

This document is produced by the PB Unit, working in conjunction with the Department for Communities and Local Government. The PB Unit is a project of the charity Church Action on Poverty, formally set up in 2006, although Church Action on Poverty has been involved with participatory budgeting since 2000.

Background

Participatory Budgeting has been evolving in the UK since 2000, when a delegation of community activists and local government officials from Salford and Manchester visited Brazil to understand how PB works and how it might be implemented in the UK.

For the past few years, the Department of Communities and Local Government (and previously the Office of the Deputy Prime Minister) has financially supported the PB Unit to introduce national pilots to develop UK models of PB.

Currently there are 22 national PB pilots, as well as other PB projects in the UK. Communities Secretary Hazel Blears MP has said she wants every local authority area to be using some form of PB by 2012. This announcement, along with the recent “Giving more people a say in local spending, Participatory budgeting: a national strategy”², has raised awareness of PB significantly. But increased awareness and take-up have led to concerns, particularly as the PB Unit may not know of all the PB projects happening or planned in the UK, and therefore cannot confirm their quality. In the desire to try PB it can be all too easy to overlook some of the elements needed to make it a high-quality engagement experience.

The PB Unit, practitioners and Communities and Local Government agree that some minimum standards and guidance are therefore needed for PB: a Quality Assurance Framework that practitioners can refer to, and by which projects can be measured and monitored to assure integrity.

We started work on quality assurance in January 2008 as political and policy momentum mounted, but before the government’s PB strategy was published. We have involved PB Unit staff, associates, practitioners from the pilots and civil servants. For the values, principles and standards to be as inclusive as possible, this document has previously been circulated for comments and feedback and they have been included (where possible) into this version. Since PB is still evolving and we want to capture all the ideas available we are also going to monitor and evaluate their usefulness in a small number of PB projects and review and update the document at regular intervals.

We want these values, principles and standards to set minimum expectations for the way PB is implemented in the UK, and to help ensure integrity in PB projects. We hope projects will continue to raise the bar to make PB a high-quality engagement experience, which remains inclusive and accessible to everyone. Maintaining standards will help us keep those crucial core benefits of PB, such as community empowerment, social cohesion and responsive services.

Defining Participatory Budgeting

Participatory Budgeting (PB) began in Brazil, where it has successfully empowered people in extremely deprived communities since the late 1980s. Its tools and principles are now used in many places across the world. Over 300 municipalities have used PB, in countries such as Venezuela, Canada, Spain, France and Chile, as well as the UK³.

PB is relatively new to the UK and is continually evolving. There is no fixed definition because innovative PB projects constantly challenge existing explanations.

The short definition is:

Local people decide how to allocate part of a public budget.

If citizens directly make decisions on the allocation of any public money (not only local authority budgets), this is PB. There are other aspects of PB – for example having an annual budget cycle or scrutiny powers – that maximise the benefits of the process. They are good practice and should be implemented where possible. But not having them should not prevent implementation of PB.

The definition below tells us more:

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 giving local people a role in the scrutiny and monitoring of the process.

The role of councils and councillors

Councillors play a key role in PB. They represent their constituencies and are often aware of issues and solutions there. They also provide contact with the citizens that PB is aiming to engage. The purpose of PB is not to undermine their role, but to support and reinforce it. A successful PB process involves engaging councillors at the outset and involving them at every stage of planning. Those most involved are the most supportive, and those least involved can be the most sceptical.

The council's cabinet is legally required to approve the spending of its funding. In the case of a council-led PB project, PB does not alter this legal requirement. Councillors need to approve the use of any money to be allocated by PB, unless delegated powers apply, and they need to ratify decisions made by community votes. Legally, they can overturn community decisions, but this should only be in extreme and unusual circumstances, for example if a community decision is illegal. To date, none have been overturned, but if it were to happen, the reasons should be explained to the community quickly and clearly, to minimise feelings of disempowerment and mistrust.

Forms of PB

Currently, PB projects in the UK have allocated spending on services including crime and anti-social behaviour, the environment, road improvements, activities for children and young people, health and fitness activities, community centres and improving assets such as football facilities.

They have been specific to certain neighbourhoods or areas, or local authority-wide and themed: for example, children and young people, and health. But PB is not limited to local authority budgets – it has also been applied in the UK to a range of different public budgets including those of housing associations, schools, and primary care trusts.

As PB is quite new, innovative forms are being developed all the time and new budgets, themes, partners and areas are demonstrating its adaptability. PB can be flexible – it can be used to set the priorities for an entire budget or to allocate part of that budget for projects. Neighbourhood charters, community plans, and parish plans can be used as a first phase to help identify a community's priorities. Funding can then be allocated before the community votes for schemes it wants to implement within those priorities.

Some of the forms PB projects can take include:

- *spending parts of specific grant pots, for example, New Deal for Communities or Neighbourhood Management Pathfinders*
- *mainstream council budgets devolved to local area committees, for example for road improvements*
- *setting local authority area-wide priorities, agreeing projects and spending around an annual revenue budget-setting process*
- *pooled budgets from partners through the LSP to tackle particular cross-partner themes or Local Area Agreement (LAA) indicators*
- *using town and parish council precepts*
- *agreeing wider LAA, LSP priorities and spending (mainstreaming).*

This last option has yet to be trialled, but we hope to work with local authorities to explore how it can be done in 2008. Many local authorities consult residents on draft budgets – a level of engaging with people that is wider than PB, but not as deep.

Using any of these forms of PB – or any combination – is fine, depending on circumstances. They could even be considered together as part of a PB process based upon a budget year.

Developing PB

As PB develops and becomes part of the way community empowerment and engagement are achieved, it should be embedded in key statutory agency documents such as the LAA, Sustainable Community Strategy (SCS) and

other strategic plans, as well as filtering into more community-specific plans such as community plans. LSPs could consider how PB might most usefully be included as they refresh these documents.

The benefits of PB

PB is most effective when it is inclusive, helping bring about real change in the relationship between citizens, communities, local council officials and elected councillors⁴.

It can create other benefits too, including:

- *greater community cohesion, as diverse people come together*
- *better understanding of the complexities of setting public budgets and choosing between competing priorities*
- *real improvements in the way local people and elected councillors and council officials work together*
- *services better tailored to local circumstances, and improved resident satisfaction.*
- *Ultimately, PB should rejuvenate local democracy, and get more people to take part in their communities.*

PB Values, Principles and Standards

This section sets out the key values of local ownership, direct involvement, support for representative democracy, mainstream involvement, accessibility, transparency, deliberation, empowerment and shared responsibility and the principles and standards within them. These values, principles and standards underpin all good participatory budgeting and we advocate their inclusion in PB processes.

PB Values, Principles and Standards

Value:

Local Ownership

- *Involve people affected by PB in decisions about PB processes and projects*
- *Ensure local representation is supported by the wider community*
- *Encourage individuals and communities – particularly those traditionally marginalised or excluded – to participate*

Principle:

Residents should be involved in setting budget priorities and identifying projects for public spend in their area wherever possible

Standards:

Because people often immediately identify with issues in their own neighbourhoods, budget allocation should apply to neighbourhood level, or the lowest level possible.

A PB process must begin early enough in the budget cycle for residents to influence both priority setting and project identification where appropriate, and to be able to see that they have influenced budgetary decisions.

There should be wide representation of the community, where possible. If representation is limited, other measures should be put in place to stop results being skewed.

Value: Direct Involvement

- *Promote direct involvement of communities in PB processes particularly in budget decisions*
- *Provide and promote training, development or capacity-building that support direct community involvement*

Principle: PB should involve direct as well as representative engagement wherever possible

Standards: Direct and open involvement of residents in budget decisions will replace the funding allocation and grant-giving work of resident panels, grants panels, committees and sub-groups wherever practicable.

Budget literacy programmes and seminars and workshops around direct democracy will support this.

Value: **Support for representative democracy**

- *Promoting and supporting representative democracy*
- *Developing both representative and participatory models to work alongside each other*

Principle: Participation mechanisms such as PB should be seen as supporting representative democracy rather than undermining it. Councillors hold a unique position as community advocates and champions. PB can increase citizens' trust of councillors and boost the role of ward councillors.

Standards: Local councillors should be involved from the start of any PB process and participate in designing it with local people.

Organisers and councillors need to consider the role of councillors in the PB process and whether or not it is appropriate for them to be involved in influencing or participating in a vote.

Councillors should ratify decisions made by local people as soon after they have voted as possible, preferably at the same meeting.

If in exceptional circumstances a decision is overturned, it should be explained to the local people involved in the PB process quickly and clearly, to minimise any sense of disempowerment.

The steering group managing the PB process should choose the method of voting or decision-making carefully. An inclusive and empowering method should always be chosen over any method that excludes or divides people, which could take power away from communities and undermine PB.

Value: Mainstream Involvement

- *Promote PB models where mainstream funding is used and repeated annually*
- *Promote the community capacity-building needed for good decision-making on mainstream budgets*

Principle: Over time PB processes should move towards residents being involved in decisions over mainstream budgets (as opposed to only small grants processes)

Standards: Small grants processes should generally be seen as a way of introducing and testing PB processes, rather than an end in themselves.

Practitioners should state publicly that their long-term aim in using PB is to engage citizens in decisions on mainstream budgets (or the investment part of these budgets).

Capacity-building and budget literacy programmes to enable citizens to participate effectively in mainstream budgetary processes should support these aims.

Cross-partner themes are beneficial in PB processes, and pooled or partner cross-budgeting processes should be encouraged where possible.

Value:

Accessibility

- *Make processes accessible for all involved*
- *Recognise and remove barriers to full and effective participation*
- *Promote PB events widely and appropriately*

Principle:

Participants must have good and clear access to PB processes

Standards:

Venues comply with normal accessibility standards.

Representation of all groups in the area should be monitored, especially to include minority and hard-to-reach groups. The results can be used to inform future PB processes.

Language should be understandable and technology should be manageable for people attending PB events or being given information about PB.

Attractive and targeted marketing and publicity should make sure anyone eligible knows about PB events and how they can get involved.

Desirable levels of accessibility and equal representation should be agreed and monitored; including the involvement of traditionally marginalised or excluded groups.

Wider accessibility issues such as transport and childcare should be considered when selecting venues and arranging dates and times.

For good community representation, the role of children and young people should be considered. The steering group should decide whether or not they can vote. If not, specific PB processes for children and young people should be considered, where possible.

Value: Transparency

- *Have open and clear processes*
- *Involve communities in scrutiny of PB-funded projects or programmes*
- *Provide full and open information on all public budgets*

Principle: PB processes are designed to give citizens full and clear knowledge of public budgets in their area, even those over which they do not have a direct say

Standards: The true costs of all projects must be made known.

The names and roles of all those with responsibility for managing and planning PB processes must be published, and clear grievance procedures put in place.

All rules devised for a PB process must be drawn up in partnership with local residents.

Any conflicts of interest for any person involved in the PB process should be made public and absolutely clear.

Budget literacy support should be provided and public budgets should be explained to those involved, to allow the best possible allocation of resources through the PB process.

True costs of PB-funded projects should be widely known and reported consistently.

The budget available for PB processes should be clearly defined at the start of each year, and protected from being reduced by budget pressures within that year as far as possible.

Value:**Deliberation**

- *Take part in a wide-ranging debate as an integral part of PB*
- *Support practices that promote thoughtful consideration*
- *Support participative democracy*

Principle:

PB processes should take citizens beyond personal choice and involve real deliberation around budget decisions

Standards:

The physical space at PB events should allow for people to group together to discuss and reflect before they vote or make decisions.

The programme at each PB event should allow time for people to think and deliberate before they vote or make decisions.

Resources should be available to facilitate deliberation at PB events.

Facilitators should make sure all voices are heard, not just the loudest. Intimidation of any form should not be tolerated at PB events.

Suitable, interesting and fun deliberation processes should be used to help everyone participate.

Value: **Empowerment**

- *Promote empowerment of individuals and communities*
- *Promote active citizenship to create better public services*
- *Support a stronger civil society*
- *Promote community development and capacity-building within PB*

Principle: PB events are centrally concerned with empowering local citizens in decisions over local services and shaping their local area through allocating part of a public budget

Standards: Although there may be several reasons for starting a PB project, all publicity, events and processes should make it clear that empowering local people is a priority.

Citizens, officers, councillors and partners should plan and lead PB events together, demonstrating local people’s empowerment.

Evaluation should explore how well PB has empowered people.

Good capacity-building is essential for good community empowerment and should always be used in PB processes.

Value: **Shared responsibility**

- *Have clarity and transparency in the aims of PB projects*
- *Involve all stakeholders in setting the aims of PB projects*
- *Have clear roles and responsibilities in PB projects*
- *Develop communities' sense of ownership and responsibility for their local areas*

Principle: PB should build common purpose and a commitment from all stakeholders

Standards: The programme's aims should be agreed in a democratic and deliberative forum that involves members of the affected community.

Roles and responsibilities should be agreed between those involved.

The process should be adapted to suit the local situation and meet the needs of all stakeholders.

Community development practices should be used to bring communities and statutory agencies together to feel shared ownership and responsibility for local areas.

¹ *The Community Development Challenge, Department for Communities & Local Government, 2006*

² *Giving more people a say in local spending, Participatory budgeting: a national strategy; Communities and Local Government, September 2008.*

³ *Information from www.participatorybudgeting.org*

⁴ *Paraphrased from Participatory budgeting a draft national strategy: giving more people a say in local spending consultation; Department for Communities & Local Government; March 2008*

Appendix: Community Development values, principles & standards

What are the National Occupational Standards for community development?

The National Occupational Standards outline clearly the Skills, Values and Practice Principles required for community development work and have been developed to provide the basis from which we can promote effective and appropriate community development work practice. The Federation for Community Development Learning (FCDL) led the development and subsequent review of the National Occupational Standards through widespread consultation and endorsement within the community development work field. The standards identify community development work as an occupation in its own right, and are now held by Lifelong Learning UK (LLUK), the sector skills council for lifelong learning. For more info www.fcdl.org.uk

Key purpose of community development work

The key purpose of community development work is collectively to bring about social change and justice, by working with communities* to:

- *identify their needs, opportunities, rights and responsibilities*
- *Plan, organise and take action*
- *Evaluate the effectiveness and impact of the action*
- *All in ways which challenge oppression and tackle inequalities.*

**communities refer to those that can be defined geographically and/or those defined by interest*

Values and practice principles of community development work

SOCIAL JUSTICE

- *Respecting and valuing diversity and difference*
- *Challenging oppressive and discriminatory actions and attitudes*
- *Addressing power imbalances between individuals, within groups and society*
- *Committing to pursue civil and human rights for all*
- *Seeking and promoting policy and practices that are just and enhance equality whilst challenging those that are not*

SELF-DETERMINATION ENVIRONMENT

- *Valuing the concerns or issues that communities identify as their starting points*
- *Raising people's awareness of the range of choices open to them, providing opportunities for discussion of implications of options*
- *Promoting the view that communities do not have the right to oppress other communities*
- *Working with conflict within communities*

WORKING AND LEARNING TOGETHER

- *Demonstrating that collective working is effective*
- *Supporting and developing individuals to contribute effectively to communities*
- *Developing a culture of informed and accountable decision making*
- *Ensuring all perspectives within the community are considered*
- *Sharing good practice in order to learn from each other*

SUSTAINABLE COMMUNITIES

- *Promoting the empowerment of individuals and communities*
- *Supporting communities to develop their skills to take action*
- *Promoting the development of autonomous and accountable structures*
- *Learning from experiences as a basis for change*
- *Promoting effective collective and collaborative working*
- *Using resources with respect for the environment*

PARTICIPATION

- *Promoting the participation of individuals and communities, particularly those traditionally marginalised/excluded*
- *Recognising and challenging barriers to full and effective participation*
- *Supporting communities to gain skills to engage in participation*
- *Developing structures that enable communities to participate effectively*
- *Sharing good practice in order to learn from each other*

REFLECTIVE PRACTICE

- *Promoting and supporting individual and collective learning through reflection on practice*
- *Changing practice in response to outcomes of reflection*
- *Recognising the constraints and contexts within which community development takes place*
- *Recognising the importance of keeping others informed and updated about the wider context*

Roles and skills for community development work

ROLE A: DEVELOP WORKING RELATIONSHIPS WITH COMMUNITIES AND ORGANISATIONS

- *Make relationships with communities*
- *Build relationships within and with communities and organisations*
- *Develop strategic relationships with communities, organisations and within partnerships*

ROLE B: ENCOURAGE PEOPLE TO WORK WITH AND LEARN FROM EACH OTHER

- *Contribute to the development of community groups/networks*
- *Facilitate the development of community groups/networks*
- *Facilitate ways of working collaboratively*
- *Promote and support learning from practice and experience*
- *Create opportunities for learning from practice and experience*
- *Support individuals, community groups and communities to deal with conflict*
- *Take action with individuals, community groups and communities to deal with conflict*

ROLE C: WORK WITH PEOPLE IN COMMUNITIES TO PLAN FOR CHANGE AND TAKE COLLECTIVE ACTION

- *Work within communities to select options and make plans for collective action*
- *Contribute to collective action within a community*
- *Support communities to plan and take collective action*
- *Ensure community participation in planning and taking collective action*
- *Contribute to the review of needs, opportunities, rights and responsibilities within a community*
- *Work with communities to identify needs, opportunities, rights and responsibilities*

ROLE D: WORK WITH PEOPLE IN COMMUNITIES TO DEVELOP AND USE FRAMEWORKS FOR EVALUATION

- *Support communities to monitor and review action for change*
- *Facilitate the development of evaluation frameworks*

ROLE E: DEVELOP COMMUNITY ORGANISATIONS

- *Encourage the best use of resources*
- *Review and develop funding and resources*
- *Develop and evaluate a funding/resourcing strategy*
- *Develop people's skills and roles within community groups/networks*
- *Facilitate the development of people and learning in communities*
- *Develop and review community-based organisational structures*
- *Develop and maintain organisational frameworks for community-based initiatives*

UNITS IMPORTED FROM NATIONAL OCCUPATIONAL STANDARDS FOR MANAGEMENT

- *Contribute to planning and preparation*
- *Co-ordinate the running of projects*
- *Contribute to project closure*

ROLE F: REFLECT ON AND DEVELOP OWN PRACTICE AND ROLE

- *Identify and reflect on own practice, knowledge and values*
- *Review own practice, knowledge and values*
- *Evaluate and develop own practice*
- *Identify and take action to meet own learning and development needs*
- *Review and meet own learning and development needs*

This document has been produced by the PB Unit, a project of the charity Church Action on Poverty, as part of the developmental work on a Quality Assurance Framework for participatory budgeting in the UK.

This document was written by Mark Waters and Ruth Jackson of the PB Unit, with support from Davy Jones, Alan Budge and Tricia Zipfel, associates of the PB Unit, officers and residents at Lewisham and Newcastle councils, and Richard Watkins of the Department for Communities & Local Government. It also includes feedback from the consultation version of this document produced in April 2008. The document was designed by Dave Spence of Fifth Level Design.

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