

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	Strategic Commissioning Committee
<b>DATE</b>	20 November 2018
<b>REPORT TITLE</b>	Participatory Budgeting Policy
<b>REPORT NUMBER</b>	CUS/18/243
<b>DIRECTOR</b>	Andy MacDonald
<b>CHIEF OFFICER</b>	Derek McGowan
<b>REPORT AUTHOR</b>	Neil Carnegie
<b>TERMS OF REFERENCE</b>	GD 7.1

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### 1. PURPOSE OF REPORT

- 1.1 This report seeks approval for a new Participatory Budgeting Policy.

### 2. RECOMMENDATION

That the Committee:-

- 2.1 Approves the Participatory Budgeting Policy appended to this report, for immediate implementation.

### 3. BACKGROUND

- 3.1 Participatory budgeting (PB) enables local people to decide on the issues that matter to them, helping them to understand public spending, put forward their own ideas and vote on them. PB is recognised internationally as a way for local people to have a direct say in how, and where, public funds can be used to address local needs. PB empowers citizens, builds trust in democracy and can improve the way public money is spent.
- 3.2 As Aberdeen City Council transforms towards the Target Operating Model and develops a commissioning approach, PB will have an important role and processes will be aligned with the Local Outcome Improvement Plan and Locality Plans to ensure alignment with strategic commissioning intentions.
- 3.3 The Scottish Government's "Programme for Government" contained a commitment to a target of 1% of local government's budgets should be subject to PB by the end of the Scottish Parliamentary term. COSLA and Scottish Government have agreed a framework to work together towards this target by 2021. The Council will be required to report to COSLA on an annual basis on our PB activity and COSLA will in turn report to the Scottish Government.

- 3.4 Based on Aberdeen City Council's 2018/19 general fund budget, we would be aiming to use PB to allocate approximately £5M per year by 2021. We may use all Council budgets to achieve this target and it is for the Council to determine which budgets PB applies to.
- 3.5 We have been working with communities, the Fairer Aberdeen Board and Community Planning Aberdeen to deliver PB over the past three years. PB has been used in various settings including to support delivery of priorities in our Locality Plans, by Fairer Aberdeen and to deliver environmental improvements through the Housing Revenue Account.
- 3.6 Through the 2018/19 budget setting process the Council determined to allocate £2.5M by PB, including the £1.6M Fairer Aberdeen budget. PB processes are on-going to allocate this funding.
- 3.7 Appended is a policy framework for delivering PB. This has been developed applying learning from local delivery and review of guidance and best practice. PB is highly flexible in how it can be applied, and this is reflected in the policy.
- 3.8 Developing our PB approach is a priority in our transformation programme and will be further developed through this programme.
- 3.9 The Chief Officer for Early Intervention and Community Empowerment has the following delegated power from the Council's Powers Delegated to Officers: -
- To deliver participatory budgeting, following consultation with the Convener of the City Growth and Resources Committee and the Chief Officer - Finance, provided that sufficient budgetary provision exists for the purpose for which the participatory budgeting process is being delivered.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The Council has made a commitment to allocate approximately £5M by PB by 31 March 2021 and we will continue to identify and seek approval of potential budgets for PB through the annual budget setting process.

#### **5. LEGAL IMPLICATIONS**

- 5.1 Following the Public Pound requirements will apply in respect of grant funding provided by the Council through PB with appropriate funding agreements put in place.

## 6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
<b>Financial</b>	There is a risk that Financial Regulations are not followed.	L	Officers involved in managing PB will be aware of and apply our Financial Regulations, including adhering to Following the Public Pound guidance.
<b>Legal</b>	There is a risk that we do not comply with procurement regulations.	L	PB processes will be delivered in accordance with our standing orders/procurement regulations and procurement advice will be sought as required.
<b>Employee</b>	There is a risk that employees are not equipped to deliver PB.	L	Communities staff are developing PB knowledge and experience and will provide support and assistance to colleagues.  An effective digital platform supports efficient delivery of PB.
<b>Customer</b>	There is a risk that we do not meet customer needs and preferences through PB.	L	Community groups will be involved in PB process planning, we will extensively advertise for the PB target community and offer appropriate opportunities to engage in the process.  PB will not be used to determine delivery of statutory services.
<b>Environment</b>	None.		

<b>Technology</b>	There is a risk that digital solutions are unavailable to support the policy.	M	Through the transformation programme we are developing improved digital engagement capabilities.
<b>Reputational</b>	<p>There is a risk to reputation if PB processes aren't seen to be fair, transparent and inclusive.</p> <p>There is a risk that we do not meet our commitment to allocate 1% funding through PB by 2021.</p>	L	<p>Communities will be engaged in planning PB activities. We will be transparent on opportunities, process, decisions and outcomes. Use of funded will be monitored and evaluated.</p> <p>PB commitments will be set out in the annual budget setting process.</p>

## 7. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	PB may be applied to support any theme within the Local Outcome Improvement Plan and the three Locality Plans for our Priority Localities and we will use PB to support delivery of our priority outcomes. PB is a key activity supporting our community engagement and aspirations which underpin these plans. PB supports delivery of Community Planning Aberdeen's Engagement, Participation and Engagement strategy.
<b>Prosperous People</b>	
<b>Prosperous Place</b>	
<b>Enabling Technology</b>	

<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Customer Service Design</b>	PB empowers communities to make decisions on use of budgets and supports collaboration between the Council, partners and communities for better outcomes.
<b>Governance</b>	PB particularly supports our inclusive decision making objective.
<b>Technology</b>	PB adds value to developing community engagement platforms.
<b>Partnerships and Alliances</b>	PB supports collaboration between a wide range of stakeholders, in particular between the Council and community groups.

## 8. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	Full EHRIA required.
<b>Data Protection Impact Assessment</b>	Not required.
<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not required.

## 9. BACKGROUND PAPERS

Participatory Budgeting report to Finance, Policy and Resources committee on 19 April 2016

Participatory Budgeting for Locality Planning report to Communities, Housing and Infrastructure Committee on 25 August 2016

U Decide - Participatory Budgeting 2017/18 report to Communities, Housing and Infrastructure report on 29 August 2017

General Fund Revenue Budget 2018/19 to 2022/23 report to Council on 6 March 2018

Powers Delegated to Officers 2018

Community Choices 1% Framework agreement – COSLA and Scottish Government  
Participatory budgeting in Scotland: an overview of strategic design choices and principles for effective delivery published by Glasgow Centre of Population health and What Works Scotland

Elected Member Briefing Note – Participatory Budgeting published by the Improvement Service

## 10. APPENDIX

Appendix – Participatory Budgeting Policy

## 11. REPORT AUTHOR CONTACT DETAILS

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