

Annual Summary Report 2021/22

**National Participatory Budgeting
Strategic Group**

September 2022

Foreword

Too often decisions are taken without involving the people whose lives are most impacted by them. That leads to poor decisions, wasted scarce resources, and a sense that too many people don't matter.

Participatory Budgeting (PB) is one of a variety of processes designed to change that. Innovated in the Global South, PB is now happening in cities, regions and nations across the world. Over recent years, Scotland has invested in PB as one way to ensure that we make better decisions, and that we make them involving those whose wisdom is seldom heard. This first report of the National Participatory Budgeting Strategic Group lays out the Group's contribution to PB in Scotland. We continue to believe that our previously published framework gives Scotland the best opportunity of embedding participatory budgeting over the lifetime of this parliament.

After two years when Covid-19 dominated our individual and collective lives, it has been encouraging to witness a new wave of PB taking route in communities, organisations, and local authorities across Scotland. At the same time we are impatient for more if our stated ambition that "... in five years' time, Participatory Budgeting (PB) will be part of the core infrastructure of a constantly renewing democratic and community life across Scotland" is to be realised.

The use of PB to provide opportunities to innovate, educate and engage will help not only to strengthen democracy but will ensure that we end up with better informed outcomes for all Scotland's citizens. PB, when meaningfully delivered, is about improving lives.

We are encouraged by the growing interest around using PB to engage people in Scotland in grappling with some of the massive climate challenges that we are facing and hope that the initial work undertaken this year through the Just Transitions Fund will be expanded upon.

Whilst the Strategic Group has an important role in challenging and encouraging, it does not have a delivery or governance function. It is for this reason that we have considered the establishment of a Joint PB Delivery Group which will bring together senior leaders from across the public sector, with the appropriate political leadership, to ensure that warm words are always being turned into specific actions.

Scotland has a growing reputation as an innovator in the field of participatory democracy, including the growth and mainstreaming of PB. It is important that we live up to that reputation. We look forward, during 2023, to considering ways in which the Group can do this as effectively as possible whilst, at the same time, encouraging all partners to remain committed and brave in their ambition.



Martin Johnstone
Chair, National PB Strategic Group

Contents

1. Introduction.....	4
2. Progress to Date.....	5
2.1 Sub-Group Membership Formation.....	5
2.2 Strategic Delivery Plan	6
2.3 Focused PB Activity - Cross-cutting Priorities	6
2.4 National PB Conference.....	7
2.4.1 PB in Culture Shift:.....	8
2.4.2 Cross Cutting Priorities:.....	8
2.4.3 PB in Education:.....	9
2.4.4 PB in Health & Wellbeing:.....	9
2.5 Follow up	9
3. Learning to Date.....	10
4. Conclusion	11
ANNEX A.....	12
ANNEX B.....	13
ANNEX C.....	14

1. Introduction

Early in 2020, the National Participatory Budgeting Strategic Group (NPBSG; 'Group') was established to help guide the strategic direction for PB in Scotland. In light of the challenges brought by the pandemic, the Group looked to explore opportunities for participatory budgeting to 'build back better' through participatory democracy as part of the recovery. In the Group's early establishment, members clarified the [Terms of Reference](#) and met on a quarterly basis to consider how they would drive their shared ambition forward. And that is:

“...that in five years' time, Participatory Budgeting (PB) will be part of the core infrastructure of a constantly renewing democratic and community life across Scotland.”

As part of this shared endeavour, the Group focused on developing an overall framework for PB over the lifetime of the next Scottish Parliament. The Group co-designed the framework which serves to: deepen a shared understanding of PB; strengthen the ability to tackle inequalities, and support existing and new areas of activity where the principles and practices of PB can make a positive difference. In July 2021, the [first National PB Framework](#) was published, which includes five overarching themes of:

- Culture shift, Leadership and Long Term Thinking;
- Cross-cutting Priorities (Climate Justice);
- Health and Wellbeing;
- Education;
- Housing and Homelessness

These themes are underpinned by sixteen priorities, which aim to help evolve PB into a central way for decisions to be made in Scotland. It is not anticipated that work will be happening at the same pace and focus across all of the themes and priorities but that, over the next five years, work will have been undertaken across each. Since the framework was established, a [refreshed Group](#) was formed with a renewed remit to explore how we can continue to build capacity for PB across Scotland and ensure best possible practice, using the framework as a foundation. Members of the group are engaged, in a variety of ways, with embedding the principles and practices of participatory budgeting (and wider democratic innovation) within their different organisations. The Group brings a wealth of experience and has met four times, to date, to continue discussion around ways to increase awareness and momentum of the framework.

2. Progress to Date

2.1 Sub-Group Membership Formation

Following the refreshed Group, a series of [sub-groups](#) were formed which correspond to the four themes of: Culture shift; Cross-cutting priorities (currently focussed on Climate Justice); Education; and Health and Wellbeing. *NB: There is currently no sub-group membership for the Housing theme, but for future years, the Group would like to explore this further and expand interest.* Members allocated themselves based on their preference and where they believe they could add most value and experience. Membership within the sub-groups consist of existing members from the wider Strategic Group, but also external members that the Group identifies and agrees upon.

These working groups were established to help members focus on the development and delivery of the themes' priorities by: gathering intelligence; sharing examples of good PB practice; and identifying key areas for improvement. However, although there was a shared expectation that the sub-groups would meet separately, this proved difficult in practice due to challenges of individual capacity. *NB: Planning is underway to identify how the Scottish Government can provide further support to the sub-groups. To date, this has been offered in the context of targeted secretariat and admin support to each group. However, further clarity is required around the need and level of commitment from each of the sub-groups.*

The Cross-cutting Priorities sub-group, in particular, has highlighted progress in Priority 7 of finding the best role for PB in addressing issues of climate justice. For example, the sub-group met in early March to explore the possibility of a Green PB Fund whilst identifying various Green PB programmes of work happening across Scotland, such as the Just Transition PB Fund and Dundee's Climate Fund.

Despite particular attention to PB within the climate justice agenda, the Group has highlighted that this does not wholly reflect the level of activity happening across the five themes, and that a great deal of work is happening across local authorities, including in education, and other public sector bodies (e.g. Police Scotland). The Group is also mindful that progress across the themes is measured in different ways. For instance, progress against the Culture Shift theme appears more abstract, and in practice difficult to assess, as embedding long-term thinking takes natural progression over time. The notion of measuring and evaluating PB will be a consistent ambition that lies behind the framework.

Nonetheless, the Group continues to emphasise the importance of using the framework as a means to identify how PB can be strengthened across the sectors. As the themes are cross-cutting in nature, the Group encourages a holistic approach in deliberating the strategic direction for PB. Expectations must also be managed, in which all five themes will not necessarily have the same level of uptake or energy by the Group. The framework merely indicates the Group's ambition for PB over the next five years.

2.2 Strategic Delivery Plan

In discussing PB activity across Scotland, the Group emphasises how we should steer away from a passive and reactionary approach. Rather, the meetings have focused on how to take a more active approach towards the implementation of the framework's priority recommendations. In doing so, the Chair worked closely with the Scottish Government's secretariat support and National PB Support funded partners (including SCDC and COSLA's PB teams) to draft a plan for delivery of the framework. The draft plan outlined a series of suggested activities that could help deliver the framework's priorities. This was based on identifying where the Group could best put their energy year-on-year, to help mobilise the framework over the next five years. This was later shared with the wider Group for review, comment and adoption.

The plan will continue to adapt to challenges and opportunities, whilst remaining focused on the implementation of the agreed priorities. The Chair has expressed the need for the Group to adapt the plan, whilst being mindful of the complexities. PB is one part of wider participatory democracy in Scotland, and the Group must continue to make implicit links to other pieces of work, such as the Local Governance Review, the Open Government Action Plan, the Community Wealth Building programme, implementation of the UN Convention on the Rights of the Child (UNCRC), and other elements of deliberative and participatory democracy such as Citizens' Assemblies.

More detail around the discussion can be found in April's meeting notes [here](#).

2.3 Focused PB Activity - Cross-cutting Priorities

In 2021/22, issues around climate change and environmental justice have been high on the agenda, particularly as the Group continues to reflect on the outcomes from COP26 in Glasgow. Since then, the Group has emphasised the important role of PB, and participatory democracy more widely, in supporting the climate justice agenda. In particular, the Group has supported the [Green PB model](#) as one way of empowering those with little engagement on climate change, but who may be more vulnerable to its impacts. The Group, in its unique purpose to guide the strategic direction for PB, has supported the following activities with the aim of enabling PB to be part of climate action.

During COP26 in Glasgow, the Group supported the delivery of a seminar, titled '[The Role of Communities in a Just Transition](#),' which highlighted the salience of communities in developing effective solutions that respond to local needs. In support of community capacity building, the Cross-cutting Priorities sub-group explored the possibility of a Green PB Fund to help invigorate the framework and add strength to the Just Transition momentum. However, following feedback from the wider group, there was consensus that caution should be made towards establishing a 'brand new fund' as there are other existing funding streams related to community participation in

green initiatives. It may also distort the perception that ‘PB’ needs to be a separate fund, and that the focus should be on mainstreaming PB into existing funds.

An example of PB mainstreaming into existing funds is the [Just Transition Fund](#). The Group have supported the £1 million Just Transition PB Fund in the North East, which is part of the Scottish Government’s £500 million ten-year commitment to help diversify the regional economy away from carbon intensive industries and capitalise on the opportunities that a just transition will bring. This has created ample opportunity for the Group to share knowledge and experience. For example, members of the Group contributed to the JT PB workshop in late July 2022 to help guide the allocation of the fund, discussing the fund’s ten-year vision and eligibility criteria. With support from the Group’s contribution, the funding eligibility criteria now includes the National PB Framework, where applicants must demonstrate its meeting at least one of the sixteen PB framework priorities.

In addition, the Cross-cutting Priorities sub-group have been supported by a Green PB Action Group, which was established by the dedicated Green PB lead seconded into SCDC. This action group serves *“to contribute to and oversee positive ongoing development and adoption of Green PB activities and processes across Scotland in 2022”*. Most recently, members of the Group are working collaboratively with the Green PB Lead to design and deliver the Green PB Caravan conference in Scotland. As part of a European shared learning programme on Green PB, Scotland (alongside Portugal, Spain and France) will be hosting its events on the 16th and 17th November. A number of members across the Group will be directly involved in facilitating a series of workshops around Green PB, which will help to further to supplement the work of the National PB Strategic Group and wider PB activity happening in Scotland.

2.4 National PB Conference

As part of the National PB Support Programme, PB Scotland hosted the [National PB Conference](#) on 28th September 2022. This was the first dedicated PB conference since 2019, with over 100 delegates attending in-person and online. The event presented an opportunity to celebrate successes, highlight progress and share learning around PB.

The Group supported PB Scotland to plan the structure and arrangements of the event, highlighting how the event will benefit from focusing on the framework’s five themes. By adopting this thematic approach, the Group expressed the ambition that it will build future momentum and further embed an understanding of how PB can be used as an innovative tool to strengthen participatory democracy across the various sectors. It can also help to bring together new agencies and organisations who are not typically directly involved in PB work and share learning.

Some members from the Group supported the delivery of the conference, providing key note presentations. A variety of speakers opened up the event including: the Minister for Public Finance, Planning & Community Wealth, the Director of the National

Lottery Fund, and the Communities and Networks Manager at the Poverty Alliance. Members also contributed to the panel discussion, answering a variety of questions from the perspective of the Strategic Group, core funders, local authorities and the Scottish Government.

A core element of the conference were the workshops, which took a participatory approach. Delegates assigned themselves to a workshop theme and were asked to discuss one of the following:

- How can green PB support community responses to the climate emergency?
- How can PB support Scotland's health and wellbeing?
- What role can PB play in addressing issues around housing and homelessness?
- What role do schools play in delivering PB?

In supporting the Group, delegates were split into 'task groups' to discuss questions about the awareness and implementation of the National PB Framework. A plenary session took place after the workshops to help identify key priorities over the next year. NB: [*Feedback on outputs from the conference made available here*](#), produced by PB Scotland.

2.4.1 PB in Culture Shift:

COSLA has been rolling out award winning Citizen Engagement software called CONSUL. The CONSUL PB software is now in use in more than 20 councils. COSLA has also supported PB activity by Demsoc and the Riverwoods trust using this software and is piloting the software with Leith Chooses Community group. Dundee City Council is currently carrying out a £750K Green PB activity using the Consul software.

COSLA has continued to work with Scottish Local Government to embed PB in mainstream budgets as part of the 1% Framework Agreement between COSLA and Scottish Government. While analysis is still ongoing, it is highly likely that for 2021-22 COSLA will achieve the 1% target spending in excess of £100 million in communities through participatory processes.

2.4.2 Cross Cutting Priorities:

In support for Green PB development across the country, PB Scotland continues to support PB activity across a number of activity strands. These include:

- Support for local PB processes delivered by community projects.
- Support for mainstream PB delivery by local authorities in different parts of the country and sharing learning about what works.
- Learning events around key PB themes (e.g. digital methods)
- Online and face-to-face training for people involved in PB

In addition, the PB Scotland website continues to highlight examples of good practice and current developments in PB across Scotland and beyond.

2.4.3 PB in Education:

Young people are becoming more aware of PB and its place in the framework of democracy education and community involvement. However, the pandemic has had an impact on the ability of schools and communities to support young people in PB.

Many areas across Scotland are now getting back on track with PB and are using funding from Pupil Equity Funds, Scottish Attainment challenge Funds and others to enable PB and encourage young people to create innovative solutions to school and community issues.

Young Scot are supporting youth PB through their online voting platform that works in parallel with other solutions such as CONSUL. The Young Scot platform is unique in that using the Young Scot National Entitlement card number means that votes are robust without having the challenges of collecting personal information, which is useful particularly for younger people who may not be able to consent to their data being stored on other platforms.

At a local authority level, [South Lanarkshire Council has demonstrated successful roll out of PB across schools](#). In 21/22, SLC schools collectively allocated more than £607,000 to PB, which is approximately 6% of the £9.9 million PEF budget.

2.4.4 PB in Health & Wellbeing:

Caithness Voluntary Group and Police Scotland have worked collaboratively on the project titled '[Your Police, You Decide](#)', funded by the Scottish Government. The project aims to improve local democracy, ensuring that communities are more engaged with decision-making to improve safety and wellbeing and will involve local people having a say over how £32,000 is spent in the Caithness area.

Over summer and autumn 2022, a Steering Group (consisting of people from the local community) have come together to support the process, whereby [17 project proposals](#) have come forward and will be open for public vote by the end of November 2022. These projects range from warm banks, food support, and wellbeing sessions (and many more), all with the aim of improving local health and wellbeing in Caithness.

2.5 Follow up

Minutes of the Group meetings can be found [here](#), which include reporting periods between:

- **October 2021** to December 2022
- **January** to March 2022
- **April** to July 2022
- **August** to December 2022

3. Learning to Date

This year has demonstrated great examples of PB being embedded into existing funding streams, such as the Just Transition Fund, whereby 5% of its annual budget has been ring-fenced for PB. Similar to this, the Group wish to continue momentum and raise awareness of how PB can be used as an innovative tool towards more effective local decision-making processes, using the National PB Framework to guide the strategic direction for PB in Scotland.

The Group wish to emphasise that PB is not just an event or an outcome which requires funding to support it. Rather, participatory budgeting is a process and must be embedded into existing funding streams in order to make the impacts of PB effective.

These opportunities are by no means exhaustive, but below highlights scope for where PB can be embedded across existing commitments in the [Programme for Government 2022/23](#):

- Launch a £25 million Clyde Mission Heat Decarbonisation Fund later this year, supporting zero emission heat projects and communal heating systems along the length of the Clyde.
- To support communities to unlock benefits, the Scottish Government will double the Scottish Land Fund (from £10 million each year to £20 million) by 2026. In the year ahead, the Scottish Government will work with stakeholder organisations and communities to build the pipeline to take advantage of the fund as it increases.
- Publish our Remote, Rural and Island Housing Action plan to support the provision of homes in these areas; including consideration of funding arrangements for community housing trusts to ensure they can support the delivery of our enhanced rural home building plan.
- Connecting PB to the legislative agenda on [Community Wealth Building](#)

The Group recognised that a stronger partnership approach is needed across the public sector towards implementing the PB Framework and a more structured governance arrangement would be beneficial. A key consideration for the strategic group is the COSLA proposal to establish a Joint PB Delivery Group, which aims to include representation from the Scottish Government, COSLA, the wider public sector, Third Sector and communities. The Strategic Group considers it imperative that the commitment to PB remains resolute across the public and third sectors and is keen to identify ways for this to be delivered as effectively as possible. It recognises a variety of ways that this can be undertaken, including through the establishment of the proposed Joint PB Delivery Group. Draft details around the governance arrangements can be found in [Annex C](#).

The Strategic Group has always recognised the importance of PB relating well to other elements of the growing thinking and activity around participatory and deliberative democracy emerging in Scotland. Late in 2022, the group was invited to begin a conversation arising out of the [report of the Institutionalising Participatory and Deliberative Democracy Working Group](#). These discussions, which remain at an early stage, include consideration on the part of the National PB Strategic Group about the value of broadening its remit to include oversight of the wider participatory and deliberative democracy agenda.

4. Conclusion

The National PB Strategic Group is committed to embedding PB as part of the core infrastructure of democratic and community life in Scotland. Since the establishment of the first ever National PB Framework, the Group continues to meet on a quarterly basis to guide the strategic direction for PB. The Group has demonstrated clear progress, sharing intelligence of the PB activity happening in Scotland and commitment to improving governance arrangements around delivering the framework's priorities.

The Group has been impacted by Covid-19, as practical PB activity and subsequent momentum has slowed down due to other pressing challenges. But as we are faced with these new challenges, such as the cost of living crisis, the war in Ukraine and global climate crises, the Group continue to raise the profile of PB as an opportunity to advance participatory democracy. The Group, at its core, is committed to ensure that those least engaged but most impacted by these challenges have a direct and just say on the things that matter to them.

The Group provides an invaluable contribution to the wider agenda of participatory democracy in Scotland. But despite efforts by the Group, it must be emphasised that a strong partnership across other strands of the public sector is required to make an effective impact to the lives of local people and communities.

The Group's work continues into 2023 and onwards.

2021/22 Membership List

Members	Sub-Group Membership	Organisation
Martin Johnstone	N/A	Chair, NPBSG
Angus Hardie	Culture Shift, Leadership & Long Term Thinking	Scottish Community Alliance
Anil Gupta	Culture Shift, Leadership & Long Term Thinking	COSLA
David Allan	Cross-cutting Priorities	Scottish Community Development Centre
David Kidd	Health & Wellbeing	Housing Network Scotland
David Reilly	Cross-cutting Priorities	Poverty Alliance
Ellie Craig	Education	Scottish Youth Parliament
Fiona Garven	Cross-cutting Priorities	Scottish Community Development Centre
Gavin Crosby	Education	Young Scot
Jane O'Donnell	Culture Shift, Leadership & Long Term Thinking	Scottish Government
Jillian Matthew	Health & Wellbeing	Audit Scotland
Katey Tabner	Cross-cutting Priorities	COSLA
Kevin Ditcham	Health & Wellbeing	Police Scotland
Kirsten Urquhart	Education	Young Scot
Mary Dodd	Cross-cutting Priorities	Transport Scotland
Neil Ritch	Culture Shift, Leadership & Long Term Thinking	National Lottery
Nicola Wilson	Cross-cutting Priorities	Transport Scotland
Oliver Escobar	Cross-cutting Priorities	University of Edinburgh
Peter McNaughton	Education	Association of Directors of Education in Scotland
Robert Emmott	Culture Shift, Leadership & Long Term Thinking	Dundee City Council
Sarah Robertson	Education	YouthLink Scotland
Stuart Matheson	Cross-cutting Priorities	Scottish Government
Tressa Burke	Health & Wellbeing	Glasgow Disability Alliance
Secretariat Support		
Kathleen Glazik	Cross-cutting Priorities	Scottish Government
Tricia Ma	N/A	Scottish Government

Framework for the Future of PB in Scotland

The National PB Strategic Group

The National PB Strategic Group was established in September 2020 with an initial focus on establishing an overall framework for Participatory Budgeting over the lifetime of the next Scottish Parliament. It is envisaged that the Group will be refreshed to ensure that proposals laid out within this framework can be most effectively delivered.

Our intentions: how this is going to happen

The framework is not an attempt to control practice from the ‘top down’, rather the group proposes that PB contributes to existing efforts to improve people’s lives by being developed in areas of policy and place following key principles of co-production and equality.

Theme	Priorities
Culture Shift, Leadership & Long Term Thinking	<ul style="list-style-type: none"> • More explicit links to the National Performance Framework and Community Empowerment, integrating PB with wider policy development and implementation. • That PB to be constantly tested against a broader ambition of ensuring that our democracy is addressing and responding to the exclusion of marginalised groups. • Continuous learning through evaluation • Encourages Scottish Government to hold PB processes directly.
Cross-cutting Priorities	<ul style="list-style-type: none"> • Evidence the long term impact of PB processes in a range of sectors including health, social care, education, housing as well as on democracy. • Find the best role for PB in a cross-cutting issue of climate justice. • Lead the way to develop PB that compliments and supports equalities and rights based budgeting.
Health & Wellbeing	<ul style="list-style-type: none"> • Public Sector Partners use PB to collaborate more effectively with the community. • Use PB to create opportunities for direct participation in decisions around sustainable transport options. • Supports the Independent Review of Adult Social Care’s recommendation to explore PB for better participation in decision making.
Education	<ul style="list-style-type: none"> • Support high quality PB processes in education. • Particular focus on developing PB further in secondary schools. • Use PB to address challenges of poverty and inequality of children by sharing decision making on the allocation of the Pupil Equity Fund.
Housing with links to the Environment	<ul style="list-style-type: none"> • Housing providers to use PB to engage with tenants and the wider community in the allocation of funds. • Develop ways to include PB within efforts to end homelessness through a co-productive approach alongside people with lived experience of homelessness, front line workers, services and communities.

Joint PB Delivery Group – Draft Governance Structure

NB: PDF Version available separate from Annual Summary Report

