

Participatory Budgeting and Community Grants Report

Executive Summary

Background

Neighbourhood Partnerships across the city have been asked to consider the report on Participatory Budgeting presented to the Communities and Neighbourhoods Committee on 24 September 2013.

This paper looks at the way participatory budgeting has operated elsewhere in the city in terms of allocation of small grant awards and sets out the current partnership community grant funding (CGF) practice.

South West Funding Panel – Current Practice

Community Grants Fund is a small grants scheme supported by funds provided by the City of Edinburgh Council and is open for applications throughout the year (subject to availability of funds). The fund aims to encourage small scale activity that benefits local communities and supports the work of Neighbourhood Partnerships and their Local Community Plans.

The Neighbourhood Partnership Community Grants Fund is a small grants scheme. Neighbourhood Partnerships can award small grants of up to £5,000 to constituted community and voluntary groups for local community activity that supports the work of the Neighbourhood Partnerships and their Local Community Plans.

At present all of the City's Neighbourhood Partnerships operate community grant funding panels of some form. These panels are made up of community & voluntary representatives as well as local councillors.

The South West panel meets four times within a financial year which it publicises widely. The benefits of this are that smaller groups who have little experience of applying for grants or who are in the position to forward plan as much as a year ahead can still be in a position to access small grant funding throughout the year.

The funding panel deliberately target local groups who are meeting the broad statements of the South West Local Community Plan. There is no vetting of applications; the panel see all applications submitted. The community grant fund is a non competitive process that has to date always awarded funding to all groups/ organisations which meet the funding criteria.

The panel's ethos is about social inclusion especially attracting hard to reach groups, who do not engage easily, and encouraging them to apply to this funding stream. CGF was designed to be used by small community groups with a local interest. The CGF is promoted through existing community networks. The current process used

by Pentland Neighbourhood Partnership was cited as an example of good practice in the operation of this fund.

The breakdown of the South West funding panel's business is as follows:

Year	Applications submitted	Failed to meet criteria	No. Awards made	Average award for year per application
2010/ 11	36	8	28	£1,951
2011/ 12	42	11 (2 applicants withdrew)	29	£1,733
2012/ 13	48	13 (2 applicants withdrew)	33	£1,522

Participatory Budgeting

The ethos behind participatory budgeting (PB) is local people making decisions on a publicly held small grants budget, in this case the partnership's community grant fund. Each model of PB is different, but there are three main ways that PB is regarded as offering benefits;

- People feel they are able to have a say on things happening or how services are run in their local area.**
- Satisfaction that people from different backgrounds can get on well together.**
- Improved satisfaction with neighbourhoods as a place to live.**

PB involves a wide range of processes and, includes the use of a local steering group, extensive advertising, use of different voting tools (Social Media, Postal, Libraries) and public events. What the PB model is without doubt is a competitive process, which uses time and resources of both the Council and potential applicants preparing to deliver a single day event for a grant of £1,000 or less.

Leith Neighbourhood Partnership allocate 50% of the community grant fund for this purpose (£eith Decides). This allocation covers all event and advertising costs, which represent £3,040 and equates to 12% of the budget available.

Breakdown of the Leith Decides is as follows:

Year	Applications submitted	Failed to meet criteria	No. Awards made	Unsuccessful Bids	Award for year per application
2010/ 11	27	2	20	5	£1,000
2011/ 12	37	4	22	11	£1,000

2012/ 13	43	5	22	16	£1,000
----------	----	---	----	----	--------

Recommendations

1. That the partnership notes the report.
2. Acknowledge that the partnership receives a wide selection of applications from a broad representation of both community and voluntary sector groups.

Support Information

Appendix A - Extract from minutes – Communities and Neighbourhoods Committee
- 24 September 2013/ Review of Council Grants to Third Parties 2013/14

Appendix B - Extract of report - Communities & Neighbourhood Committee report
dated 7 May 2013/ Review of Neighbourhood Partnerships – Options

Appendix C - Key Factors

Participatory Budgeting and Community Grants Report

Background

Third party grant awards and the process through which small grants are allocated has been subject to review. The Neighbourhood Partnerships across the city have been asked to consider the report on Participatory Budgeting presented to the Communities and Neighbourhoods Committee on 24 September 2013.

Introduction

This paper looks at the way participatory budgeting has operated elsewhere in the city in terms of allocation of small grant awards and sets out the current partnership community grant funding practice, the process for application, assessment and allocation of small grant awards. This paper will provide factual information which will allow Neighbourhood Partnership members to consider the way in which local community grants are to be managed.

South West Funding Panel – Current Practise

At present all of the City's Neighbourhood Partnerships operate community grant funding panels of some form. These panels are made up of community & voluntary representatives as well as local councillors.

The South West and the Pentlands Funding Panel's, both working with the South West Neighbourhood Partnership team, have in recent years encouraged a wide range of applicants to focus their potential projects on the priority needs identified in the partnership's local community plans. This is to ensure the funding award allocated in the South West Neighbourhood is seen as a wider community investment and not as a one off allocation with no community benefit.

In addition to the funding panel considering the grant applications submitted by local groups the panel have also supported the development of local groups in helping them to write a better application increasing their chances of a successful bid and to raise awareness within the wider community of the range of alternative funding trusts available to the community.

This approach has improved the quality of application the panel received each year and seen an increase in attendance at events promoting other funding streams such as the Meet the Funders and funding workshops providing skills development in application writing. This results in the local community groups accessing other grant streams, reducing pressure on the CGF limited pot of money but still delivering projects which benefit the local community and contribute to the local community plan.

The South West Neighbourhood Partnership funding panel is made up of community representatives, local councillors and representatives from the voluntary sector. The panel is chaired by a community representative from Merchiston Community Council.

The remit has evolved over the life of the Partnership, with the panel open to funding applications seeking to purchase equipment and others to support activities of recognised bodies such as scouts, guides and wider community groups.

The panel sets four meetings within a financial year which it publicises widely. Experience has shown that quality applications are received throughout the year and applications are submitted by local groups at times in the year when their project requires support. The reason for this spread of application relates to seasonal or specific work streams at a given time. The benefits of this are that smaller groups who have little experience of applying for grants or who are in the position to forward plan as much as a year ahead can still be in a position to access small grant funding throughout the year.

The funding panel has developed its position within the partnership structure, with the group taking on a more strategic role, deliberately targeting local groups (community and voluntary) who are meeting the broad statements of the South West Local Community Plan. There is no vetting of applications; the panel see all applications submitted, which come with an assessment form giving a short synopsis of each group's potential project/ piece of work that will benefit the wider community.

Applications which are considered borderline are invited to address the panel in person to give a detailed view of the merits of their project. Community reps on the panel are responsible in the first instance to give potential applicants guidance or applicants can contact the Partnership Officers who will assist them with a better understanding of how their application needs to be presented. This early intervention allows local groups to understand the funding criteria and how it is applied and the panel go to great lengths to explain why an application has been unsuccessful helping local groups to improve any future funding bids.

In the main local groups which have not met the agreed standard accept the judgement of the panel and will come back with a future project, better defined in a stronger application. In addition, the panel have introduced a fallback position so that applicants who are unsuccessful with the CGF are guided towards appropriate alternative funding sources and encouraged to submit bids to those.

The panel's ethos is about social inclusion especially attracting hard to reach groups, who do not engage easily, and encouraging them to apply to this funding stream. CGF was designed to be used by small community groups, groups with a local interest. The membership of the panel work together to achieve this goal and panel members promote this vision locally. The panel delivers on all three points that define PB above and there is not disappointment of meeting the criteria and being unsuccessful.

- People feel they are able to have a say on things happening or how services are run in their local area.**
- Satisfaction that people from different backgrounds can get on well together.**
- Improved satisfaction with neighbourhoods as a place to live.**

Over the last three years (from 2010/ 11 - 2012/ 13) the South West panel have distributed a total budget amounting to £155,117. This funding has been spread across 90 community, voluntary groups and community based agencies. Specifically 58% of the total budget available has gone to community based groups, a total of £89,967.86. Voluntary groups (organisations with paid workers) have secured 42% of the funding over this four year period amounting to £65,149.14

The breakdown of the South West funding panel's business is as follows:

2012/ 13 – 48 applications submitted, 13 did not meet criteria and 2 withdrew the application, leaving 33 community/ voluntary groups to proceed and receive an award. The average award for this year was £1,522.

2011/ 12 – 42 applications submitted, 11 did not meet criteria, with 2 withdrew the application, leaving 29 community/ voluntary groups to proceed and receive an award. The average award for this year was £1,733.

2010/ 11 - 36 applications submitted, 8 did not meet criteria, leaving 28 community/ voluntary groups to proceed and receive an award. The average award for this year was £1,951.

Participatory Budgeting

The ethos behind participatory budgeting (PB) is local people making decisions on a publicly held small grants budget, in this case the partnership's community grant fund. Exactly how PB is defined and implemented is different area to area.

Supporters of PB list a range of benefits the process can offer: focus on a local issue; engage with a specific local group in the community; encouraging local communities to get involved in decision making. The general aim is to allocate grants in response to community priorities. PB involves a wide range of processes and, looking at the existing examples across the city, includes the use of a local steering group, extensive promotion, use of different voting tools (Social Media, Postal, Libraries) and public events.

What are the benefits of participatory budgeting?

Each model of PB is different and will have different effects but there are three main ways that PB is regarded as offering benefits

- People feel they are able to have a say on things happening or how services are run in their local area.**
- Satisfaction that people from different backgrounds can get on well together.**
- Improved satisfaction with neighbourhoods as a place to live.**

Local Example - Leith Decides

Much has been made of the successful venture into PB by the Leith Neighbourhood Partnership (Leith Decides) who allocates 50% of the community grant fund for this process. Potential applicants bid for an award of **£1,000 or less** and have to meet one of the broad priority areas in the Leith Local Community Plan 2011 – 2014.

All applications have to meet the community grant funding criteria so there is an assessment carried out prior to the event itself. At this initial stage a Steering Group check all potential applications to ensure they meet the existing (community grant) funding criteria which will be used throughout the process.

When the final list of projects are determined members of the public living, studying, working, volunteering in the defined Leith area can visit their local library or by post send in their score supporting any project. This is followed by an event at which each group presents their project proposal/ piece of work to a local audience.

However it is noted that although all applicants at the public event have met the funding criteria and their projects are delivering on a Leith Community Plan priority not all will be successful and receive funding. Therefore in this public forum some of these groups will be disappointed and there is a risk they may disengage with the partnership process. Breakdown of the Leith Decides is as follows:

2012/ 13 – 43 applications submitted, 3 did not meet the grant criteria and 2 withdrew the application leaving 38 to proceed. Of those 38 applications 22 went on to receive awards. This left 16 unsuccessful applicants even though they met the criteria of the CGF.

2011/ 12 – 37 applications submitted, 2 did not meet the grant criteria withdrew the application leaving 33 to proceed. Of those 33 applications only 22 went on to receive awards. This left 11 unsuccessful applicants even though they met the criteria of the CGF.

2010/ 11 - 27 applications submitted, 2 withdrew the application leaving 25 to proceed. Of those 25 applications only 20 went on to receive awards. This left 5 unsuccessful applicants even though they met the criteria of the CGF.

In addition to the PB process Leith Neighbourhood Partnership holds four funding panels throughout the financial year to distribute the remaining budget of £22K.

The breakdown of the Leith Funding panel's business is as follows:

2012/ 13 – 28 applications with 15 groups being successful

2011/ 12 – 31 applications with 14 groups being successful

2010/ 11 – 30 applications with 14 groups being successful

Recommendations

1. That the partnership notes the report.
2. Acknowledge that the partnership receives a wide selection of applications from a broad representation of both community and voluntary sector groups.

SW Partnership Information Team

22 October 2013

Appendix A

Extract from minutes –

Communities and Neighbourhoods Committee - 24 September 2013

Review of Council Grants to Third Parties 2013/14:

8. Participatory Budgeting at a Local Level – Evaluation Report

Information was provided on new participatory budgeting initiatives operating within the City together with details of the support and expertise available to develop the approach more widely. The initiatives were designed to promote community participation and allow residents to influence the use of resources.

Details were presented on current approaches to participatory budgeting in the Leith and South Central Neighbourhood Partnerships which allowed the community to make decisions on the allocation of a proportion of the Community Grants Fund budget.

Decision

- 1) To note the progress made by Neighbourhood Partnerships in implementing participatory budgeting approaches.
- 2) To acknowledge the potential to extend the participatory budgeting approach across the City as a means of increasing levels of participation and allowing residents to influence the use of resources.
- 3) To refer the report to all Neighbourhood Partnerships along with supporting reference material.

(Reference – report by the Director of Services for Communities, submitted.)

Appendix B

Extract of report.

Communities & Neighbourhood Committee report dated 7 May 2013

Review of Neighbourhood Partnerships - Options

2. Main report

2.1 The scope of the review of NPs identified a number of strands of work under the three key themes of:

- Enhancing community participation.
- Developing and strengthening current practice.
- Strengthening the strategic influence of NPs.

In addressing these themes a number of activities were carried out including an audit of current practice, desk top research on engagement practice, dedicated meetings with stakeholders, themed workshops and an online survey. Appendix 1 provides details of these activities and includes links to the supporting reports and partner submissions. The original scope of the review as agreed did not set out the requirement for structural change.

2.48 The Community Grants programme was also viewed as being successful, with the Pentlands Funding Panel being cited as an example of good practice in the operation of this fund. There was some concern that several years into the grant funding scheme applicants were 'the same groups' coming back for funding repeatedly, rather than new projects seeking funding and that information on funding was not known to the general community. As part of the Community Funding Support Programme for NPs initial consideration is being given to an online funding portal.

NOTE:

The report highlighted a number of strands of work covering three themes. Under the third theme **Strengthening The Strategic Influence of Neighbourhood Partnerships**, section 2 of the main report, (2.48) noted that the community grants programme was seen as successful with the Pentlands Neighbourhood Partnership Funding Panel cited as an example of good practice in the operation of this fund.

The processes being used by the Pentlands Funding Panel were designed and developed by the South West Partnership Team and adopted for use by both the Pentlands Funding Panel and the South West Funding Panel, as such this recognition is shared by both funding panels.

Appendix c - Key Factors

	Funding Panel	Participatory Budgeting (PB)
Membership	<p>SW Funding Panel</p> <ul style="list-style-type: none"> • Eight Community representatives from each community council in SW • One Voluntary Sector representative • Three Local Councillors • Supported by officers 	<p>Steering Group</p> <ul style="list-style-type: none"> • Six Community representatives from three community councils in Leith • One Voluntary Sector representative • Two Local Councillors representing the Partnership Board
Resources	<ul style="list-style-type: none"> • Partnership Officer time for preparation and post panel work approximately 60 hours per panel x 4= 240 annually. • Administration Assistant time for preparation and post panel work approximately 30 hours per panel x 4 = 120 annually. • Venue used SW Conference Room – no cost 	<ul style="list-style-type: none"> • Partnership Officer allocating a high proportion of time for duration of 4 months (2 months full time) setting up the event, training of steering group and liaison with applicants giving advice on application submissions and post event. • Partnership officer support for 4 steering group meetings per annum for preparation and post panel work approximately 60 hours per panel x 4= 240 annually • Administration Assistant time for preparation and post panel work approximately 30 hours per panel x 4 = 120 annually. • Costs per person involved come in at £3.80 x 800 people =£3,040. (hire of school hall, catering, crèche, printing & promoting, advertising and support focus groups) • The event required a full day session to receive presentation from those applicants who have

		<p>met the funding criteria.</p> <ul style="list-style-type: none"> • Four steering group panels are still in operation over and above this process.
Funding distribution	<p>Over last 3 years</p> <ul style="list-style-type: none"> • 58% of funding awarded to community groups • 42% of funding awarded to voluntary sector organisations 	<p>Over last 3 years</p> <ul style="list-style-type: none"> • 44% of funding awarded to community groups • 57% of funding awarded to voluntary sector organisations
Funding Panel Outcomes	<ul style="list-style-type: none"> • All applications meeting the community grant fund criteria will receive an award, which is either a full or partial award. • This limited funding pot is committed to supporting local initiatives/ activities that meet local needs. • Community are involved in the decision making process. 	<ul style="list-style-type: none"> • Provide opportunities for local people to have a say in what happens in their area. • Encourage active involvement in decision making. • Provide an effective link between local community and local democratic processes.
Geographical area	<p>South West is a large geographical area running from Calders, Wester Hailes, Sighthill, Broomhouse, Parkhead, Chesser, Hutchison, Merchiston, Longstone, parts of Redhall, Gorgie, Dalry and into Haymarket and parts of Tollcross. The SW area has a population of 58,000</p>	<p>Leith, incorporating Leith walk is located in a smaller geographical spread with a population of approx 44,000</p>
Other factors to consider	<p>Venue for funding panel meetings- held in local office</p>	<p>Venues in Leith located in more compact locality within reach of the community at either extremity of the partnership area.</p> <p>Venues in SW spread across large</p>

	<p>Applications are assessed on meeting criteria and contribution to community plan</p> <p>Applications are agreed on merit of application and contributions to meeting the community plan priorities not size or capacity of group applying.</p> <p>Time spent on administration and process is 360 hours per annum</p>	<p>neighbourhood, issues with access and transport across the neighbourhood.</p> <p>Applications are checked for meeting criteria then voted for by community once per year to distribute 50% of grant; remainder is allocated through steering group during the year.</p> <p>Getting public support for ensuring the number of votes is gained to make the bid successful can be disadvantageous to small groups, particularly those who do not have fundraisers or staff..</p> <p>Time spent on administration and process is 648 hours per annum.</p> <p>A public event highlighting the work of the NP and the community involvement helps raise the profile of the NP.</p> <p>All costs to support PB are taken from the CGF budget.</p>
--	--	---