

Neighbourhood Committee

[Date]

Participatory Budgeting in Newcastle – Next Steps

Report by: Assistant Chief Executive

Ward Implications: All

Please indicate For Decision		
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1. Summary

1.1 This report brings members up to date with progress on implementing Participatory Budgeting (PB) in Newcastle and sets out:

- a) an update on the national and local context for PB
- b) the next steps for the evolution and expansion of the PB pilots into mainstream budgets from 2008/9; and
- c) a forward plan for PB, in line with national and local priorities.

1.2 The background and context to PB in Newcastle has been set out in detail in previous reports to Neighbourhood Committee. In summary these relate to:

- 2006/7 Year 1 Udecide pilots: in Lemington, Denton and Woolsington where local residents allocated £30,000 towards cleaner, safer and greener projects (the working group has recently won the National Neighbourhood Renewal Project of the year); at a citywide Children & Young People's event £30,000 was allocated to projects decided by children & young people.
- 2007/8 Year 2 Udecide pilots: in Lemington, Denton and Woolsington where local residents have allocated £80,000 towards cleaner, safer and greener projects (event attended by over 200 local people on 13 October 2007); three children and young people's PB pilots are currently running

with £90,000 to be allocated for projects in schools in the Outer West and North and in the East and Central area of the city.

In both pilot years, funding has been provided from the Neighbourhood Renewal Fund and Safer and Stronger Communities Fund. In addition, PB has been used to identify priorities to be included in a bid for £735,000 which levered in an additional £400,000 to the Big Lottery Fund, at the 'Kids Can Choose' Event. This work was identified as best practice nationally and success of this bid was announced on 12th Dec last year, bringing over £1.1 million to the City. Feedback from the judges stated that the reason for success was that the event had directly involved Children and Young People deciding on priorities for spend.

1.3 Impacts of Pilots

In summary:

- 68 projects delivered on the ground, on time and on budget totalling £129,000.
- Demonstrable impact on community cohesion through intergenerational and other work
- Leverage of £1,120,000 into the city from PB activity
- National Award won and 4 examples of 'best practise' recognised nationally
- Raised profile of Newcastle as a national leader in PB
- Created an understanding of budgeting using public funds in those communities piloting PB
- Provided an opportunity to ensure that services for CYP reflect needs through the three area localities
- Creation of strong Udecide brand

2. Recommendations

2.1 Committee are recommended to:

- recognise the success of the Udecide pilots in Newcastle
- agree that PB work is developed in the following wards from April 2008: Denton, Walkergate, South Heaton, Ouseburn and Newburn
- request the PB Unit works with Newcastle Udecide Learning Group to consider options for developing PB in Newcastle with the Council and it's partners in line with proposals in Section 4.1 and request for a further report in June 2008
- to ask officers to look to bring a national conference on PB, to be held in

Newcastle in the spring of 2008

3. **National Context**

- 3.1 It is clear from Section 1.2 and 1.3 above that PB has been extremely successful in Newcastle and is currently the focus of a lot of national attention, both from central government and increasingly from other local authorities interested in using PB as a way of involving local people in decision-making and in allocating budgets.
- 3.2 The Local Government White Paper 'Strong and Prosperous Communities' published in October 2006 highlighted Newcastle as one of a number of innovative local authorities using PB to involve local people in allocating budgets for community priorities. One of the headline principles of the White Paper is the need to engage communities and local people in the decisions that affect them and their neighbourhoods. This broader engagement context is also fundamental to the second generation of Local Area Agreements (LAA) and the recently published Comprehensive Spending Review. These bring together a number of different funding streams into a single flexible pot, around a set of clear and concise priority improvement targets developed locally, but agreed between central government and the local authority as community leader.
- 3.3 More recently Government has launched its "Action Plan for Community Empowerment: Building on success". PB is one of a number of methods of empowerment given as examples of good practice. Indeed in her foreword Hazel Blears MP, Secretary of State for Communities and Local Government says "The success of 'community kitties' in places like Newcastle and Bradford has inspired us in government to help spread the lessons about the benefits of involving local people in budget decisions".

In Newcastle PB will be continued to be developed alongside a variety of methods used to engage and empower our citizens.

To help government implement their action plan they have invited 17 local authorities to work with them and Newcastle has agreed to be one.

- 3.4 In December 2007 Communities and Local Government published Representing the future: The report of the Councillors Commission which looks to strengthen the role of elected members in local democracy. PB presents an opportunity for increased engagement between citizens and their community champions.
- 3.6 Meanwhile Aiming High for Young People: a ten year strategy for positive activities (July 2007) outlines Government's intention to devolve a quarter of spending on youth activities and facilities to young people by 2018. The success of the children and young people's participatory budgeting pilots places Newcastle in a strong position to deliver this target.

4 **Local Context**

- 4.1 Given the increasing attention being placed on PB nationally, there are clearly a number of opportunities for Newcastle to move current PB work to the next

level. PB is one of a number of tools that Newcastle could use to help to meet a variety of challenges set out both nationally in 'Strong and Prosperous Communities' and the Empowerment Action Plan and locally, such as the Community Engagement Strategy, Sustainable Community Strategy, Local Area Agreement, ward planning and ultimately help to underpin the Comprehensive Area Assessment from 2009. These are set out in more detail below.

- Newcastle's Community Engagement Strategy. This sets out five levels of community engagement, from information, consultation, deciding together, acting together and supporting independent community initiatives. The current PB pilots operate at the top level (i.e. supporting independent community initiatives) but with limited scope. However the aim of the strategy is to *work towards devolving decision-making and supporting independent community initiatives wherever possible* across a range of different services. The PB methodology could be used to help engagement activities become more meaningful and get more genuine local buy-in.
- Sustainable Community Strategy (SCS). This is currently being developed and is the long term strategic visioning document for the city. It is possible that as the SCS evolves in the future, PB could be used to help to identify priorities for the city.
- LAA. Newcastle's second LAA is currently being developed and will be based around a set of improvement targets for the city for the next three years. While the PB could be adapted to help identify community and/or partners priorities for improvement targets to be included in the LAA, perhaps more importantly it could be used to help to allocate funding to services that can deliver priorities. The single Area Based Grant that local authorities will receive from April 2008 allows for much more local flexibility and discretion on how this is spent.
- Ward planning. Linked to the longer term SCS, ward plans are now being developed which will set out the longer-term, local level community priorities for improvement. If ward plans could be linked to ward budgets, as well as other relevant locally based funding streams, then together these could offer significant potential for PB methodologies to be incorporated on an iterative basis over a number of years. There is also the potential for ward planning and ward budgets to be linked into more local, or neighbourhood-based, area agreements, linked to the citywide LAA.
- PB Unit to work with Newcastle Udecide Working Group to consider options for developing PB in Newcastle with the Council and it's partners. A report detailing this work will come to a meeting of this Committee in June 2008.

4.2

There are clearly a number of potential ways that PB can be moved from pilot status into the mainstream, or core activity of the Council and it's partners. It is perhaps the latter two issues identified above – LAA and ward planning – that offer a more strategic approach to PB. As Newcastle is already highly recognised nationally, and increasingly internationally, as a pioneering authority

on PB, it is natural that the potential of PB is exploited for both the benefit of local people, but also to demonstrate through inspections such as the emerging Comprehensive Area Assessment which will allow the Council to demonstrate successfully a comprehensive and genuine route to involving communities in identifying priorities and influencing spending decisions.

5. **Forward Plan for PB in Line with National and Local Priorities**

5.1 The national and local context and opportunities for PB are set out in sections 3 and 4 above and the main impact of the pilots to date set out in section 1.3. This section sets out ways to move PB from the current externally funded pilot status, to a longer-term more strategic approach using mainstream council (and potentially partner) budgets and recommends a forward plan for PB in line with national government policy.

5.2 Building on the success of the year 1 pilot from December 2006 and the current year 2 pilots in October and November 2007, there is now a need to consider how to take forward PB from April 2008. The following activity is proposed:

5.2.1 **Develop Udecide programmes in the following wards:**

South Heaton – Using funds (£40,000) allocated for Play at the ‘Iris Brickfield’ site and the possibility of drawing in other funding streams. It is hoped that the project, as well as delivering play equipment for this site, will involve the neighbouring community in coming up with ideas for the site. The student community and BME communities will also be involved in the project and it is hoped that this will increase community cohesion in this area.

Ouseburn – Looking at highways issues in the Battlefield area of the ward, using a combination of monies allocated for highways and other funds (approximately £200,000). The project will involve establishing priorities for highways issues in the area from residents and involving residents in bringing forward solutions which will be voted upon by that community.

Walkergate – A meeting with Ward Councillors has been set up in January to discuss the issues which the PB work will address.

Denton – Following on from the success of the 2 pilots in the Outer West, the skills and knowledge of the award winning working group from this area will be utilised to continue some of the work which has become grounded in this community. The project will bring together members of the Working Group, Councillors and Officers to look at issues which need to be addressed using this model of engagement.

Newburn – A meeting with Ward Councillors will take place in January to discuss the issues which the PB work will address

It may be possible to add other wards to the programme as the year moves on.

5.2.2 **Work with Young People**

To continue to work with the Executive Director for Children's Services and the Children and Young People's Portfolio Holder to identify ways of rolling out PB into some mainstream children's services budgets. This work has been grounded in year 2 of the pilot through the three area localities.

5.2.3 **Develop further options**

The Learning Group will continue to work with the PB unit on a longer term plan for Newcastle, details of which will return to this committee in June '08

5.2.4 **National Conference**

Look to host a national conference on PB to be held in Newcastle in the spring of 2008. Discussions are taking place between officers, the PB Unit and DCLG

6 **Resourcing**

6.1 In order to deliver the proposals above additional resources will need to be found. The current position regarding resources is

- The Neighbourhood Renewal Fund will cease from 31.03.08. A sum of £25,000 has been earmarked from Working Neighbourhoods Fund from April until October '08 and a further £80,000 from October '08 until April '09. There will be an opportunity for further funding post April '09
- Commitment from Ward Councillors for ward budget funds and other funding to be spent in their Wards.
- Big Lottery funds – over £1.1 million secured

7 **Background Papers and Contact Officer Details**

Background papers held in shared file. Udecide – Participatory Budgeting in Newcastle. Social Policy Tea,

1. Vince Howe – 211 5892
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