

## **Participatory or Ward Budgets**

### **Introduction**

The involvement of non executive ward councillors has been a topic that has been considered in ongoing legislation since the establishment of the strong leader/cabinet model and later the executive mayoral model of local government.

The 1997-10 Labour government introduced a number of measures and these were strengthened by the parliamentary contributions made during the legislative process.

In 2008 the Secretary of State, The Rt Hon Hazel Blears MP, commissioned SQW, Cambridge Economic Associates (CEA) and Geoff Fordham Associates (GFA), to undertake a study of Participatory Budgeting in England. The work was thus commissioned by one Government (Labour) and completed under another (Coalition Conservative).

The Conservative led government fully accepted the report and councils continue to adopt local models:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6152/19932231.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6152/19932231.pdf)

There has been considerable flexibility as to how this involvement is structured and there are a many examples of councils ranging from small shire districts to county councils and Birmingham City, the largest single tier authority in the country.

### **Current legislative framework**

The rules which allow a local authority to make funding available for Ward Budgets are contained within Section 1 of the Localism Act 2011 under the General Power of Competence provision.

### **Allocation of funds**

Firstly individual councils allocate a fund for ward budgets, providing elected members with flexibility in the deployment of their allocated WB within the powers available to them under the Localism Act.

There are many ways of initiating these funds. Most involve members and a ward forum or area committee. The standard model involves the area committee identifying priorities for local action annually. Subsequent Applications for ward budget funding must be able to demonstrate that they contribute to the agreed priorities for the area for that year. Agreed priorities may, therefore, differ from area to area. Elected Members have the power to approve projects if, in their opinion, they address an issue of local need.

There are within these structures arrangements to comply with the Localism Act.

Applications are not eligible for political or religious purposes nor if received from individuals or from profit making enterprises and neither are applications eligible that are demonstrably for the benefit of an individual or private enterprise. An exception to this rule may be made, at the discretion of the area committee, where the project is in specific response to an issue of Community Safety subject to advice from the Council's Legal Services and a specific supporting report from the police service the fire and rescue service or the authorities own safety officers.

Ward Budgets can be utilised for either capital or revenue expenditure up to the allocation limits for each, but should not be used to create a reliance on year-on-year support. Accordingly, ward budget funding support is normally only eligible for individual projects for a maximum of one financial year. As can be seen in the South Holland District Council example, the overall sum, if not the project can be rolled over.

### **Structures and examples**

Councils use very different structures, however there is an acceptance that a majority party will not use their power to intervene in wards where the minority or opposition councillors are themselves a majority.

This has proven to be popular and successful, as can be seen in the examples of Westminster and Birmingham City Councils.

Westminster City Council currently allocates £46,000 per ward, although this has reduced from previous levels. The councillors are required to publish a report , which can be found on the council website.

This is the report of Westbourne ward, represented by three minority Labour councillors:

[http://transact.westminster.gov.uk/docstores/publications\\_store/strat/westbourne\\_2008-10spending.pdf](http://transact.westminster.gov.uk/docstores/publications_store/strat/westbourne_2008-10spending.pdf)

This the report for Regent's Park ward, represented by three majority Conservative councillors:

[http://transact.westminster.gov.uk/docstores/publications\\_store/strat/regents\\_park\\_2008-10spending.pdf](http://transact.westminster.gov.uk/docstores/publications_store/strat/regents_park_2008-10spending.pdf)

Birmingham has district committees, based on the ten parliamentary constituencies. The City currently has forty wards, each with three councillors, and all with extremely large electorates. Two of the districts, Edgbaston and Sutton Coldfield have a majority of councillors who are part of the minority within the council.

Hertfordshire County Council, as do most county councils, has single member electoral divisions. Launched in 2009, the member locality budget enables each elected member of the County Council to spend up to £10,000 on worthwhile projects in their community that promote social, economic or environmental wellbeing.

Particularly popular is this making funds available for road improvements within each electoral division.

South Holland District Council, in Lincolnshire, a small council in resources terms, but not in area, allocates £5,000 per member for ward budgets, but there are restrictions in election year. The council later resolved to permit the local councillors to carry over unspent funds into a subsequent financial year.

<http://www.sholland.gov.uk/NR/rdonlyres/80C0FDE9-FDAF-46DD-B0D5-A4A81955FFDE/0/Cabinet3April2012Item9.pdf>

### **The way forward**

Tower Hamlets has been there before. In the 2011 consultation Tower Hamlets Council was one that had been used as an example.

The main issue will be to decide an appropriate sum, establish exactly what this can be used for and build a structure which involves local residents and the ward councillors.

This summer, 2015, the London Borough of Hillingdon was able to say:

- *“The highly popular ward budget scheme has made a welcome return, a scheme that gives each ward in the borough its own budget to spend on local projects.”*

We have examples of very different authorities rolling out popular and successful programmes. It should not be difficult for Tower Hamlets to do the same.

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