

## **Submission to the Commission on a Gender-Equal Economy Third Call For Evidence – Public Services:**

### **Opportunities for fostering a more gender equal economy by the use of Participatory Budgeting**

This submission looks at UK and international evidence on PB with a specific focus on the involvement of women in participatory local governance, and the potential to redirect public budgets and services in a more gender equal way. It also considers if PB creates spaces for women or indeed any marginalised groups or individuals to organise and influence local democratic structures, form social capital and advocate for resources that meet their needs.

We argue PB can stimulate collaborative citizen action and builds social inclusion, in the form of volunteer led community associations, self help and advocacy groups where women often play a more equal and active role. This is particularly true of the most common form of PB in the UK; the model of participatory grant-making used to distribute initiative funding.

Participatory grant-making occurs most often within small, economically disadvantaged well defined communities, where bidders present proposals to a community audience, who then vote on which projects receive funding. This works towards promoting socially minded entrepreneurial activity within localities experiencing market and state failure. For example the establishment of childcare projects, self help groups and mutual aid.

Behaviours described within community development practise as the process whereby *“community members come together to take collective action and generate solutions to common problems”*. (UNICEF, 1995)

We explore whether PB (as used in the UK, but also more widely), does indeed enable these positive effects. That by adopting PB approaches policy makers can create conditions for collective, cooperative social entrepreneurial behaviour to emerge, with particular benefits for women.

We further suggest that PB encourages public sector reform, potentially towards being more responsive to the needs of women, through a greater focus on prevention, on economically sustainable community action, and investment in basic services.

## **Introduction**

This paper arises from experience over a period of more than ten years in the work of Shared Future CIC, a UK based social enterprise. Shared Future CIC is at the forefront of promoting Participatory Budgeting (PB) in the UK, and is well connected into international PB networks. Alongside supporting social enterprise development it undertakes a range of related community engagement and community development work.

For the purpose of this submission we examine a number of exemplar PB projects, many of which the author has been directly or indirectly involved in, and focus these on identifying opportunities for or examples of a more gender equal ‘social’ economy. We draw on a range of experience, namely:

- Shared Future’s experience of using PB as a mechanism to fund emergent social enterprises over a range of projects we have been involved with.<sup>1</sup>
- The Scottish Governments Participatory Budgeting Initiative, which has seen an expansion in new civic activity, supported by government policy and pump-priming funding.<sup>2</sup> Having delivered PB training in nearly all of the 32 local authorities in Scotland Shared Future has been instrumental in the development of PB in Scotland and fully engaged in this initiative.
- A review of national and international experiences of PB, with a specific focus on those that had strong social economy characteristics or an explicit intention to promote the interests of women.

## Defining Participatory Budgeting

Participatory Budgeting (PB) is an innovation in participatory democracy inspired by social and political movements for citizen participation in Brazil in the 1980s which aimed to tackle democratic deficits and target public funds at the most marginalised communities (Abers et al. 2018; Novy & Leubolt, 2005).

It has since evolved, with over 3000 reported experiences globally (Shah, 2007). PB is now expanding rapidly in Europe and the USA. With that shift it can be argued that it has moved away from primarily promoting equity and re-distribution of resources towards a focus on public participation in public service delivery (Sintomer et al., 2012), with the legitimacy that brings for government. The World Bank, defines participatory budgeting (PB) as

*“a direct-democracy approach to budgeting. It offers citizens at large an opportunity to learn about government operations and to deliberate, debate, and influence the allocation of public resources. It is a tool for educating, engaging, and empowering citizens and strengthening demand for good governance.”* Shah (2007) (P.1)

Tiago Peixoto, governance specialist for the World Bank, additionally offers 7 defining characteristics of participatory budgeting<sup>3</sup>. These are:

- 1) *Public budgets are the object of the process, or at least part of it.*
- 2) *Citizen participation has a direct impact on the budget (it is not a consultation).*
- 3) *Citizens decide on the rules governing the process.*
- 4) *The process has a deliberative element.*
- 5) *A redistributive logic is embedded in the design of the process (e.g. the poorest districts / areas/ communities get more money).*
- 6) *Institutionally designed to ensure that citizens can monitor public spending.*
- 7) *The process is repeated periodically (e.g. on a yearly basis).*

This represents an ideal situation, which few (if any) PB processes could fully demonstrate they meet. However within these principles are ample opportunities to promote a more gender responsive budget.

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<sup>1</sup> See: <https://sharedfuturecic.org.uk/service/latticeworks-social-enterprise-development/>

<sup>2</sup> See: <https://www.gov.scot/publications/community-choices-fund-guidance-and-application-forms/>

<sup>3</sup> See: <https://democracyspot.net/2012/09/12/participatory-budgeting-seven-defining-characteristics/>

Given this paper primarily draws on the practice of participatory budgeting within the UK context it would be remiss not to report a 'UK' definition, accepted by the Department of Communities and Local Government within the PB National Strategy:

*Participatory budgeting directly involves local people in making decisions on the spending and priorities for a defined public budget. PB processes can be defined by geographical area (whether that's neighbourhood or larger) or by theme.*  
(UK Department of Communities and Local Government (2008))

## Fostering a more gender equal economy

We believe that PB can generate local social capital and encourage socially entrepreneurial behaviour. That PB can help create conditions for the development of a more local social economy. One based on principles of community development, which, by implication and extension, will enable women to overcome individual economic challenges.

It therefore connects ideas of Sustainable Livelihoods<sup>4</sup>, as promoted by OXFAM UK, where social goods play an important role in especially supporting women beyond their individual economic activity. This is in contrast to much recent government policy that puts income generation and work, even poorly paid and insecure work as the best way to improve people's circumstances. Sustainable Livelihoods approaches would instead suggest that women are often making very rational choices to secure social goods over economic wealth.

Fundamentally, PB develops communities and individuals. It supports community development and social entrepreneurship. Zahra et al. (2009) defined social entrepreneurship as "*the activities and processes undertaken to discover, define, and exploit opportunities in order to enhance social wealth...*" (p. 519). In 1995 UNICEF defined community development as a process where "*community members come together to take collective action and generate solutions to common problems*" (UNICEF, 1995). Gilchrist and Taylor (2011) additionally point to it being a long term, value based process whose purpose is to promote social justice and is therefore inherently political.

The INFED website additionally suggest community development is "*perhaps best used to describe approaches which use a mix of informal education, collective action and organizational development and focus on cultivating social justice, mutual aid, local networks and communal coherence*"<sup>5</sup>. Seeing community development as a learning process that involves people in experiences from which they will learn ways of enhancing their capacity for self-directed activity and destiny. Whether seen as a profession or a practice, community development involves:

*Changing the relationships between ordinary people and people in positions of power, so that everyone can take part in the issues that affect their lives. It starts from the principle that within any community there is a wealth of knowledge and experience which, if used in creative ways, can be channelled into collective action to achieve the communities "desired goals"* Moreland and Lovett (1997) (p.203).

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<sup>4</sup> See: <https://policy-practice.oxfam.org.uk/publications/the-sustainable-livelihoods-approach-toolkit-for-wales-297233> accessed October 2019

<sup>5</sup> See <http://infed.org/mobi/what-is-community-development/> accessed October 2019

## UK cases and source material

In the case of Shared Future's own work, we might highlight the Latticework Social Enterprise development model, which was a programme designed specifically to assist the development of social enterprises in the Lancaster City Council municipal region of the UK. As well as delivering a range of training and development opportunities, Shared Future used the participatory grant making model of PB as part of this approach between 2011 and 2014. This project distributed over £70,000 of public funding to support the local SE economy by what we termed a "Participatory Investment Programme".

The process showed democratic decision making in action and demonstrating a passion to succeed by the bidders was essential. This was in effect a type of 'dragon's den' with a difference. Rather than awards being made by 'experts' or vertical power holders (grant-makers), the decision was made by an emerging community of social entrepreneurs and their supporters in a more horizontal fashion. As well as the financial gains participants reported positive learning, developmental and values based outcomes;

*"Funding allowed us to explore how we could generate an income from providing a service."*

*"Without this type of funding our CIC might never of got off the ground"*

*"Very good, very democratic and very fair"*

Our learning from this and a later similar but smaller programme (funded by UnLtd) 'Lead the Change' is that using a PB approach can be particularly valuable to women, who featured strongly in a programme all about putting forward income generating projects that are innovative, address an unmet need, stimulate resource gathering, and incentivise risk taking (Strachan and Goodall, 2016). Through supporting and observing many participatory grant making events the authors have seen multiple occurrences of new groups led by women forming and later becoming established organisations.

One example would be the Safe Spots project in Wythenshawe.<sup>6</sup> A £30,000 PB process in Wythenshawe in 2014, led by Greater Manchester Police and facilitated by Mutual Gain Ltd<sup>7</sup> with the aim of tackling serious and organised crime was the platform for three local women to propose their project to address domestic violence on their estate. Initially successful in attracting around £3,000 from the community voting event they went on to secure a further £50,000 from Greater Manchester Police, as well as other indirect financial support, such as a social housing unit from which to run the project. Five years on the centre continues to provide an invaluable service to local women.

The Scottish Government is currently leading the way in institutionalising PB within the UK. Over £3m has directly going into civil society organisations and community anchor organisations to enable them to run their own participatory budgeting initiatives through the Community Choices fund. There is an increasing focus on social inclusion and democratic

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<sup>6</sup> See <https://safespots.org.uk/> accessed October 2019

<sup>7</sup> See <https://www.mutualgain.org/wp-content/uploads/2016/10/MutualGain-Wythenshawe-Safe-Spots-PB-Case-Study-1.pdf> accessed October 2019

empowerment, and a new national Charter for PB was launched in June 2019<sup>8</sup>. Central to that charter is social inclusion, with the first principle being ‘Fair and inclusive’:

*“PB creates new opportunities for people to become involved in ways that bring new and different voices to discussions about how public money is spent. Working together in this way encourages stronger relationships in and between different communities. Everyone should be able to participate in community life but sometimes there are obstacles to getting involved. PB can remove those barriers if it is carefully planned, properly resourced and support is available for those who need it. We will know PB is ‘fair and inclusive’ when:*

- *the PB process meets all requirements in terms of accessibility;*
- *within a PB process everyone has a vote;*
- *people who have experienced inequality are involved in designing PB process;*
- *the outcomes of a PB process help to reduce inequalities.”*

Another example drawn from Scotland is the Govanhill Equally Well PB process (Harkin et al 2012), administered by the Govanhill Community Action Group (GoCA). The £200,000 of Equally Well funds were earmarked for ‘community engagement’ but the exact nature of this engagement was left to the community to decide. Through an extended deliberative process and community conversation it was agreed four projects would share the funding.

One was the Govanhill Addictions Family Support Group, with two connected aims: A facility for respite for families or carers that *“would help reduce stress and anxiety levels at times of family crisis. It would help reduce dependency on GP and other Primary Care services for family support and would help build a ‘caring for oor ain’ culture.”*

A second project to receive funding was The Govanhill Community Justice Partnership, which aimed to *“more effectively combat unlawful landlords operating within the area... The funding is to be used to enhance the Govanhill Law Centre’s legal resources to specifically target this aspect of criminality within Govanhill”* (p. 17).

## **Some international examples and research**

An exploration of PB elsewhere by Cabannes and Delgado (2015), looked at a wide range of international PB experiences within the frame of social action. Cabannes and Delgado describe many relationships between PB and what can be loosely described as the social economy. They highlight women played a prominent role in self-managed housing projects at Parque Jardim Leblon, Belo Horizonte (Page 69). Or within the Rosario example:

*“An interesting and important facet of the Rosario PB experiment is its mainstreaming of gender through a number of mechanisms: (i) gender parity in the councils; (ii) projects with a clear gender perspective such as the prevention of domestic gender violence, awareness raising on sexual rights, strengthening of women networks, etc.4; (iii) the organisation of a “ludoteca” (childcare for babies and children) during meetings to facilitate the participation of mothers in debates; (iv) systematic campaign against the use of words and attitudes disrespectful of women.”* (P111)

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<sup>8</sup> See <https://pbscotland.scot/charter> accessed October 2019

*“...for women in Rosario and for immigrants in Seville are some of the PB experiences that show that “it is possible” to overcome exclusion and marginalisation and that it is indeed vastly better for all citizens, for local government, and for the overall development of cities.” (P187)*

The linking of Gender Budgeting and PB is common in the international community. One example being an interview available on youtube<sup>9</sup>, including practical examples from South Africa showing that *“if women’s advancement is to be a priority it must also reflect on budget allocations. The input of women is also often omitted from budgets.”* These were views of delegates to the International Conference and Workshops on Participatory Budgeting and Gender-Responsive Budgeting in the South African Eastern Cape in 2018.

Other work directly connected to that of the author has taken place in Kenya, where the Kenyan PB Initiative has specifically identified how PB has benefited women, especially in rural and remote communities<sup>10</sup>. The West Pokot county government was keen to increase its citizen-outreach and participation in the planning and budget process by shifting the locus of meetings from the ward level to the remote sub-locations and encouraging the participation of women in what is largely a patriarchal society.<sup>11</sup>

Further, a significant piece of research into how the use of PB in Brazilian municipalities between 1990 and 2004 affected the pattern of municipal expenditures, and in particular a reduction in infant mortality found that:

*... data collected at the participatory budgeting forums in Porto Alegre, in 2002, reveal that the participatory assemblies tend to concentrate a higher proportion of (i) women, (ii) elders and retired workers, (iii) married people, (iv) non-qualified workers, (v) people with lower average income... (Goncalves 2013) (P99)*

*... the changes in the infant and child mortality rates associated with the adoption of participatory budgeting strongly suggest that the expansion in health and sanitation spending within adopting municipalities results in substantial declines in these important health and living standards indicators. (Goncalves 2013) (P107)*

This, in our view, points towards firm evidence that public bodies that promote the use of PB also have higher concerns for issues of social equality, and are more willing to invest in the things that matter to women, such as social welfare, education and children’s services. Which comes first, or indeed whether it is correlation or causation is the subject of considerable ongoing research, but PB does improve wellbeing.

*“Brazilian municipalities with PB programs enjoy better results than similar municipalities without participatory governance programs. Our evidence shows these policy experiments are producing some of the anticipated benefits including broadening civil society and generating improvements in social well-being”. (Touchton et al 2013).*

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<sup>9</sup> See: <https://www.youtube.com/watch?v=nZUjW0A20vI> accessed October 2019

<sup>10</sup> See: <https://www.worldbank.org/en/news/feature/2017/06/20/how-citizens-are-shaping-budget-priorities-in-a-kenyan-county> accessed October 2019

<sup>11</sup> See: <https://participedia.net/case/4936> accessed October 2019

## Discussion

Does PB indeed benefit women by building a gender equal economy? Based on the above examples we argue observed behaviours in PB grant making counterbalance characterisations of private, self-orientated entrepreneurial behaviour. These include a rejection of heroism, avoidance of finger-pointing, moderation, valuing dialogue and fair distribution, altruism, network building, creativity, sharing stories, social concern and affirmation.

Attributes that match types of social capital relationships (Kay, 2003), and in particular bridging social capital (Szreter and Woolcock, 2004) with a strengthening in the ties between individuals across social divides or between social groups.

This pattern is borne out by wider evaluations of PB in the UK. First the 2011 evaluation of the UK Department of Communities and Local Government sponsored PB National Strategy found that given the right conditions PB may:

*improve individuals' and organisations' self-confidence in tackling neighbourhood issues and in negotiating with public sector organisations. Bring together people from different backgrounds who might not normally meet, enabling them to pool knowledge, views and experience, in order to tackle local issues. Act as a spur to people to build local voluntary and community organisations and encourage participants to get more involved in their communities, as shown by rising memberships in local organisations following Participatory Budgeting events. (UKDCLG, 2011 p.230)*

A more recent evaluation in Scotland, though muted on whether outcomes, at an early stage, represent a transformation in vertical power (a top down distribution of funds from those in power to those without (Uddin et al., 2017)), and with caveats about whether public authorities are ready to let go of power nevertheless found:

*"small grants as a transactional model has had important benefits around community cohesion, transferring knowledge and awareness of local activity, if not power over resources". (O'Hagan et al., 2019) (P. 10).*

Even in the absence of more radical or scaled models of PB common in other countries and accepting its smaller scale funding and therefore more limited potential, we are left with a firm impression that PB, within the UK, creates community wellbeing through the promotion of social capital, alongside more democratic access to local initiative funding.

That relates closely to ideas and concepts of community wealth building as advocated by the Centre for Local Economic Studies (CLES, 2017). A more 'social' economy is here being considered in the wider sense, as not simply about building financial wealth, but also stronger networks, agency, and a valuing of democratic collective responsibilities, where common purpose is developed through practices that share values common across PB practice.

This highlights a more pedagogical and behaviourist rationale for 'doing PB'. It highlights that PB can be more than just about transferring power vertically from public bodies down

into communities over budgets or more efficient public spending. It is also fundamentally about a process of civic education around what a healthy, cooperative and enterprising community looks like and behaves.

## Conclusion

Through reflecting on longitudinal qualitative learning in the development of Participatory Budgeting in the UK, viewed through a social economy lens, we argue that in and of itself that Participatory Budgeting may well stimulate the development of gender equal economy, as well as encourage sustained social action, in instances where this was the specific intent, or where women's equality was a key driver for institutional actors.

There are clear indications that Participatory Grant Making does stimulate civic action, build new social capital and develop agency within participating individuals. Participatory Budgeting may also generate socially entrepreneurial behaviours, and express values commonly held within social economy organisations. If the specific intention behind Participatory Budgeting was to promote a gender equal economy it may become a useful addition to existing policy.

**By adopting PB, and making sure that it was relevant, accessible and engaging to women we submit that public services would become more gender sensitive, public expenditure better targeted at reducing inequalities, and women would be given direct access to networks, tools and funding to generate their own solutions to unmet need.**

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**This submission draws from and extends a recent paper (*Participatory Local Governance and Social Enterprise: Exploring the links between social entrepreneurial behaviour and democratic resource allocation through participatory budgeting*) produced by Jez Hall of Shared Future CIC and Dr Matthew MacDonald of Manchester Metropolitan University and a co-director at Shared Future CIC.**

In its new format it focuses on the opportunities for Participatory Budgeting(PB) to contribute to a more gender equal social economy.

## Primary Author

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