CITY OF
VICTORIA

Committee of the Whole Report
For the Meeting of May 24, 2018

To:	Committee of the Whole	**Date:**	May 18, 2018
From:	Susanne Thompson, Director of Finance Bill Eisenhauer, Head of Engagement		
Subject:	Participatory Budgeting Pilot		

RECOMMENDATION

That Council direct staff to review and report back with information on the potential to engage a different organization from year to year to deliver the Participatory Budgeting Program for the City, based on the focus areas outlined in this report

EXECUTIVE SUMMARY

Throughout 2017 and early 2018, the City piloted participatory budgeting, empowering the community to invest $60,000 of the City's budget to develop the process and allocate funding to projects. One of the main objectives of the pilot was to increase community involvement in municipal government.

A Steering Committee made up of committed community volunteers developed and implemented the pilot. This included everything from creating local guidelines for the process, developing criteria for projects, promoting a call for ideas and engaging the community to vote on which project(s) should receive investment.

Twenty-eight proposals were submitted, eight ideas went out to the community for voting and three received funding:

- **Next Steps Employment Program**: ($25,000) - A program operated by Our Place Society that seeks to create pathways to employment for Victoria's most vulnerable citizens.
- **Urban Alive Pop-Up Native Bee Apiary** ($11,500) - Border Free Bees, Emily Carr University and Pollinator Partnerships Canada will collaboratively design and build an apiary to house docile native bees and educate the public on the crucial role they play in natural ecosystems.
- **Learning Garden**: ($16,000) - Food Eco District (FED) and LifeCycles Project Society will build an educational outdoor classroom at the Greater Victoria Public Library's downtown branch.

This report provides an overview of the pilot and outlines options for the continuation of the program for Council's consideration.

PURPOSE

The purpose of this report is to provide a review of the participatory budget pilot and bring forward options for Council's consideration.

BACKGROUND

Participatory Budgeting (PB) is an innovative democratic process in which community members directly decide how to invest a portion of a City's budget. City staff support the process, but do not play a role in the deliberation or decision, nor do elected officials. The process was first developed in Brazil in 1989 and is now practiced in over 1,500 cities around the world.

In 2014, Victoria's City Council directed staff to develop a Participatory Budgeting pilot as part of a two-year phased transformation of the financial planning process. The 2015-2018 Strategic Plan, under "Engage and Empower the Community", outlines actions to design a Participatory Budgeting process to build the capacity of neighbourhood/community associations and empower neighbourhood residents, place makers and others to lead and implement public projects.

As part of the 2016 budget, $60,000 was allocated towards the pilot which ran through 2017 and early 2018. $10,000 was initially designated for capacity building, administration and promotion; however only $8,000 was used. The remaining $52,000 was allocated towards funding investments in Victoria as identified by the public through voting.

The design of the PB process was completed by the citizen body. Steering Committee members developed a Rulebook which outlined local guidelines for the process, criteria for eligible projects, and rules for PB in Victoria (see Appendix A for the PB Victoria Rulebook). The Rulebook also outlined goals for the PB pilot which included:
- **Increase civic engagement:** Engage more people in politics and the community.
- **Showcase the City decision-making process:** Allow residents to have a greater role in and understanding municipal spending decisions, and inspire increased transparency in Victoria's government.
- **Build community relationships and supporting diverse communities**: Inspire people to more deeply engage in their communities, and to create new networks, organizations and community economic opportunities.
- **Encourage inclusive participation:** Run a fair and just PB process, encouraging the participation of all community members. A focus on equitable participation, by working hard to engage the most marginalized populations, will lead to a more diverse and representative process.

Project criteria allowed for a wide variety of ideas to be submitted for voting, such as public infrastructure projects, community events or ongoing initiatives that did not cancel or delay City projects already planned or underway.

In total, 28 individuals and organizations submitted ideas for projects. These ideas were vetted by staff and the Steering Committee to ensure they met the basic criteria of the PB process and were viable. Eight ideas were shared with the community for voting. Over 4,300 residents voted on their favourite projects online or at City Hall.

The three winning community-based projects were:

- **Next Steps Employment Program**: ($25,000) A program operated by Our Place Society that seeks to create pathways to employment for Victoria's most vulnerable citizens.
- **Urban Alive Pop-Up Native Bee Apiary**: ($11,500): Border Free Bees, Emily Carr University and Pollinator Partnerships Canada will collaboratively design and build an apiary to house docile native bees and educate the public on the crucial role they play in natural ecosystems.
- **Learning Garden**: ($16,000) Food Eco District (FED) and LifeCycles Project Society will build an educational outdoor classroom at the Greater Victoria Public Library's downtown branch.

These projects will be implemented in the coming year.

Overview of the PB Pilot Project

There were five phases to the Participatory Budgeting pilot.

Setting the Stage (January – April 2017)
The focus on the first phase of the pilot was to set the stage for participatory budgeting through education and outreach to both staff and the community.

A successful launch event and awareness raising activities occurred in January 2017. About 50 people, from a diverse range of backgrounds, organizations and demographics, attended a kick-off event. Most who attended the event had not previously participated in City processes. The kick-off event was led by the Participatory Budgeting Project, a non-profit agency based out of New York City that grew out of a 2005 social forum in Porte Alegre, Brazil. Trainers from the Participatory Budgeting Project also delivered training to City staff who would be involved in the pilot.

Creating the Space (May – July 2017)
During this phase, community members were invited to shape the PB process. The first step was to establish the committee who would lead and oversee the process.

In May 2017, the City issued a call for Steering Committee members. The call was successful in attracting many people with diverse interests, skill sets and experiences. Prior to selecting members, applicants were invited to attend an information session. The purpose of the session was for applicants to ask questions about the pilot, gain a better understanding of the level of commitment, and meet other applicants to inform their decision to continue on with the selection process. Twenty one people applied to join the committee. After the information session, seven people decided not to continue, three were not selected to participate as they lived outside of Victoria and 11 accepted to join the committee.

The role of the Steering Committee was to design, develop and implement the PB pilot. One of the Committee's first tasks was to develop the PB Victoria Rulebook, which outlined the guidelines for PB including the process, goals, program details, roles and timelines. The Rulebook is intended to be a living document that will evolve with the process in future years.

Idea Collection (August – October 2017)
In the fall of 2017, the Steering Committee sent out a call for ideas on how best to invest $50,000 and engaged the community in consensus-based decision-making.

Social media, earned media, stakeholder emails, posters were some of the ways the Steering Committee promoted the call for ideas. 28 ideas were submitted.

Proposal Development and Review (October to December)
The Steering Committee decided on a two part application process. Applicants were asked to complete a short intake form.

Proposals were reviewed by both the Steering Committee and City staff for viability. A shortlist of applicants whose projects met the PB Victoria criteria, were invited to then complete a detailed project proposal (budget, implementation details, and impact) to share with the community during the voting process.

City staff were available to help refine shortlisted proposals. Final proposals were reviewed by both the Steering Committee and City staff for viability. 11 applications were approved, some with a few remaining conditions that needed to be met before proceeding to community voting. Three applicants withdrew leaving eight projects to proceed to community vote.

Community Voting (December to January)
From December 13 to January 20 the public was invited to vote on the eight community-based projects in person at City Hall and online.

Implement the Community's Decisions (Ongoing)
The PB pilot is in the final stages. The three winners were recently awarded their funds. All projects are required to be fully implemented within 12 months of receiving the investment.

The review of the pilot is being shared with Council for consideration for future years.

ISSUES & ANALYSIS

One of the main objectives of the pilot was to generate greater community participation in local government by continuing to build on the increased engagement in the City's budget process over the past three years.

2015 was a record breaking year for engagement on the City's budget for two main reasons: The City launched a new approach to the financial planning process, moving away from expense based budgeting and towards budgeting by priorities, outlining services and capital projects including costs, revenues and benefits of each. The new format enabled the City to better demonstrate the value residents and businesses receive for their tax dollars and made the information more accessible to readers.

In addition to the new approach, the City also made it easier for people to provide comment on the draft budget by introducing an electronic component to the Town Hall. The e-Town Hall gained high community interest and enabled people to participate remotely. 250 people attended the Town Hall, over 100 comments and questions were directed to Council or staff collectively over social media, web submission and phone and over 1,500 survey responses were submitted.

The PB pilot continued to build off of the momentum generated through the budget consultation, surpassing the 2015 numbers. Much focused was placed on online voting which resulted in 4,300 votes being submitted.

Not only was participation high, new voices were also engaged. Many of the people who attended the launch event and applied to join the Steering Committee had never previously participated in a City process. These participants were able to reach out to their networks and encourage others to participate which added great value to the process.

Lesson Learned

Once the community had cast their votes and the winners were announced, the PB Steering Committee and City staff met to review the success of the pilot and discuss lessons learned. Below are the key findings and recommendations for Council to consider for future years. For a full list of lessons learned compiled by the Participatory Budgeting Steering Committee see Appendix B.

What Worked Well

1. Setting the Stage

Steering Committee: The information session held prior to the selection of Steering Committee was effective in helping interested community members learn more about the pilot and determine their desire to continue with the process. After the information session, seven people withdrew their application and 14 expressed their continued interest in becoming members of the Steering Committee.

2. Creating the Space

Increased involvement in the budget process: The PB kick-off event attracted many community members who had not previously participated in City processes. The call for Steering Committee members also generated interest from a wide range of community members with diverse backgrounds. Many of the Steering Committee members and volunteers also had not previously participated on a City committee.

3. Idea Collection

Diversity of community projects: The final eight projects on which the community voted were diverse in their subject matter and the amount of funding requested. As a result of the variety of requested funds, the Steering Committee and the City were able to fund three community projects.

Increase awareness on how decisions are made: The pilot provided a new opportunity to generate greater awareness in the community around the budget process including how decisions are made.

What Could Be Improved

1. Setting the Stage

Increased participation by City staff: The nature of PB is to be citizen-led and City supported. Once the Steering Committee was established in May, the City empowered the committee to develop and lead the process. It was soon realized, by both the committee and the City, that the process could benefit from greater staff involvement.

As a result, a City representative began to attend weekly meetings to provide support. The role of the staff person was to help build capacity (share engagement guidelines, best practices, etc.), explain existing City policies, and liaise between the committee and other City staff.

Both the Steering Committee and Engagement Team recommend that a staff member play an active supporting role to the committee and that resources be properly allocated to support the process (on average .4 FTE throughout the process, with greater participation leading up to public voting).

Identify a Project Manager: The Steering Committee identified the need for a paid Project Manager whether it be a City staff member, an organization or a committee member on a stipend. This would help ensure the project remains on track and will reduce administrative burden on volunteer committee members.

Training: To ensure everyone has the same level of knowledge of the PB process, training is recommended for Steering Committee members. Training can be delivered via webinars, or from a former Steering Committee member or City Engagement staff.

Clarity around roles and expectations: Establish a clear description of the City's expectation and support to be provided, as well as responsibilities of the committee and level of expected commitment from each volunteer. Select and adjust roles based on each member's interest, experience and level of commitment.

Attrition: There was substantial attrition on the Steering Committee. After a few months, the original group of 11 members was reduced to four members. These four members were committed and essential to the success of the process, seeing the pilot through to completion and recruiting other volunteers who added great value to the pilot.

The Steering Committee members noted that attrition made establishing roles very difficult for the core group, however, being a smaller group proved to be more efficient in several ways. Cited reasons for attrition included:
- o Mismatched expectations on the process and/or commitment
- o Relocation

Cleary defining committee roles and time commitment early on in the process may alleviate some attrition.

2. Idea Collection

Allocate resources to support individuals / smaller groups: The majority of applications came from well established organizations who would have the knowledge and resources to complete the application process. The Steering Committee recommends that in future years, more time is spent working with individuals or smaller groups to flesh out proposals to a point they are able to compete with larger proposals.

Simplify the call for proposals: The Steering Committee made several recommendations to simplify the call for proposals including:
- Establish well defined criteria to help determine eligibility

- Develop an online video on how to complete a proposal
- Encourage people to submit a basic idea, and then invite potential applications to attend an information session to flesh out their idea with the committee and City staff
- Provide more time for applicants to flesh out proposals, with support from the committee and/or public (through info sessions, online discussion, etc.)

Timeframe for voting: The voting process occurred in the late fall / early winter which proved to be a challenging time of year to engage the community. To increase the amount of opportunities for in-person voting and overall votes received, the timeframe for voting should be aligned to take advantage of the spring / summer events and festival season. The ability to go to where the people are through attendance at community events or 'popping up' in other high traffic areas during a time of year when more people are out in the community would enhance community participation in the process.

OPTIONS & IMPACTS

Option 1 – Engage a different community organization to run the program each year (Recommended)

This option would involve allocating the participatory budgeting funds to a third party to oversee all aspects of the program. Each year, a new organization or group would be awarded the funds and would oversee the delivery of the program. It would also enable the City to leverage community partnership to reach citizens and encourage even more participation in local government. This option would require staff to reach out to organizations to gauge interest and report back to Council with a list of organizations who would be able and interested to run the program for a year.

Proposed areas of focus:

2019: Youth

2020: Newcomers

2021: Neighbourhood Spaces

Option 2 – Run the pilot again in 2019 to better evaluate the success of the program

If Council should decide to proceed with this option, additional staff support would be required to support the program. Recommendations from the Steering Committee would inform planning for year two of the pilot to help expand community participation. The resource allocation could be considered as part of the 2019 financial planning process.

Option 3 - Do not proceed with Participatory Budgeting

In 2015 an expanded public engagement process, including an e-TownHall, was introduced to increase community involvement in the City budget process. This option would focus staff efforts on engaging more residents and businesses through the existing annual engagement process for the budget by exploring new tools and techniques.

Accessibility Impact Statement
There are no accessibility impacts resulting from the issues reviewed in this report.

2015 – 2018 Strategic Plan

Work with community to design participatory budgeting opportunities is a 2017 action under Objective 2.

Impacts to Financial Plan
$60,000 has been allocated towards the participatory budgeting program in the 2018 budget.

Should Council wish to continue the process, additional staff resources (.5 FTE) to support the program would be required and could be considered as part of the 2019 financial planning process.

CONCLUSIONS

The Participatory Budget pilot provided the opportunity for the community to be fully empowered in City decision-making. Through the hard work of a committed Steering Committee and the valuable volunteers they enlisted throughout the process, the pilot was successful in increasing public participation in the City budget process. Three projects received funding and will be launched this year that have the common goal of improving life in Victoria. The Committee's Lessons Learned Report provides key findings and suggestions for the City to consider for future Participatory Budgeting projects.

Respectfully submitted,

Bill Eisenhauer
Head of Engagement

Susanne Thompson
Director of Finance

Report accepted and recommended by the City Manager: Jocelyn Jenkyns

Date: May 17, 2018

List of Attachments

Appendix A: 2017 Participatory Budgeting Rulebook
Appendix B: Lessons Learned and Recommendations from the 2016/2017 Participatory Steering Committee