

REPORT TO: POLICY AND RESOURCES COMMITTEE - 10 JUNE 2002

REPORT ON: SCOTTISH EXECUTIVE GREEN PAPER - "COMMUNITY BUDGETING - A CONSULTATION DOCUMENT ON LOCAL SERVICES AND COMMUNITY ENGAGEMENT"

REPORT BY: DIRECTOR OF CORPORATE PLANNING

REPORT No.: 463-2002

1 PURPOSE

- 1.1 To outline the Scottish Executive proposals as described in the Green Paper "Community Budgeting - a consultation document on local services and community engagement" and recommend a response from Dundee City Council.

2 RECOMMENDATIONS

- 2.1 It is recommended that Committee:
- a) declines the offer to express an interest in the Community Budgeting Grant
 - b) makes comments on the specific proposals as set out in section 7 of this report

3 FINANCIAL IMPLICATIONS

- 3.1 None.

4 LOCAL AGENDA 21 IMPLICATIONS

- 4.1 The Green Paper considers matters which relate to the Agenda 21 theme "All sections of the community are empowered to participate in decision-making".

5 EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 The Green Paper addresses the Equal Opportunities theme relating to "involving and consulting target groups on all issues which affect them".

6 BACKGROUND

- 6.1 The Green Paper, "Community Budgeting etc" sets out the current position of the Scottish Executive on the community budgeting approach and seeks the views of statutory agencies and others on its proposals. The Scottish Executive has invited responses by 14 June 2002.

- 6.2 Community Budgeting is defined in the Green Paper as:

.... the identification of the level and nature of mainstream spend in local areas by local authorities and other statutory agencies - and the subsequent use of this information to develop and deliver the services that a community demands, potentially through the vehicle of locally based partnership structures and on principles of community engagement, social inclusion and equality.

It is further suggested that community budgeting involves the identification and recording of mainstream spend by agencies in defined communities. The spend information can:

- allow an assessment to take place of resource levels that are supporting a range of services;
- be utilised to then examine whether the services being delivered into the community reflect the particular needs of that community; and
- facilitate consideration of where some resources may better be directed within the community, particularly where there is an immediate issue in the community to be resolved

6.3 The following agencies and organisations are identified as potential participants and partners in the development of community budgeting:

- Local Authorities
- NHS Boards
- Communities Scotland
- Scottish Enterprise Network including Local Economic Development Companies where they are in place
- Highlands and Islands Enterprise
- Further and Higher Education Colleges
- Job Centre Plus (from April 02)
- Pension Service (from April 02)
- Police and Fire Services

6.4 The Green Paper offers a range of the type of service areas which could be developed in a locality "through greater understanding of the way that mainstream money is being spent and where services may not be meeting the needs expressed by the community":

- Education initiatives e.g. ensuring children get to school each day
- Family support services
- Child care services
- Widening further education opportunities
- Employment access projects
- Local approaches to encouraging entrepreneurial activity
- Community Safety
- Youth programmes
- Drugs/Alcohol Support Services
- Customised local health initiatives
- Carers Services
- Mental health support
- Environmental Issues
- Housing Improvements
- Sport and Leisure activities
- Arts and Culture programmes and events

6.5 As a starting point for generating the discussion on the green paper, the Scottish Executive considers that community budgeting can be "... greater understood and developed by illustrating three operational levels on which it might operate...." . These are described as:

Level 1

Producing annual figures showing the level of local mainstream spend by each statutory body in the required area (e.g. SIP area), classified in a manner which is useful to developing understanding of where mainstream funding goes.

Level 2

Providing opportunities for residents to define service provision priorities for their community, discuss the manner in which this service needs to be delivered and lead to the statutory agencies responding to these requests.

Level 3

Empowering local partnerships/community organisations to be responsible for contracting the delivery of some services directly from suppliers whether in the public or private sectors or those working within the social economy.

6.6 Following consultation on the Green Paper, guidelines will be distributed on a new Community Budgeting Grant, the purpose of which will be to assist in the set up costs for putting in place community budgeting models. The grant is set at £5m over 2002-2004, made available as £2m in 2002/03 and £3m in 2003/04. Preliminary expressions of interest are being sought by 14 June 2002 from:

- Community Planning Partnerships
- Social Inclusion Partnerships
- Better Neighbourhood Services Fund Pathfinders
- Local Rural Partnerships
- Other local community partnerships, which must include at least two statutory agencies in their partnership

7. DUNDEE CITY COUNCIL'S RESPONSE

7.1 **General**

7.1.1 While Dundee City Council remains committed to working with communities at a local level and making information available to citizens through performance, reporting the proposals give rise to considerable areas of concern which are serious enough to reach the conclusion that the proposals cannot be supported by the Council.

7.1.2 The Scottish Executive may revisit the proposals following consultation with statutory bodies and others and Dundee City Council will wish to make further detailed comments as part of any further consultation on the community budgeting proposal.

7.2 **Introduction to Community Budgeting Consultation**

Dundee City Council shares the Scottish Executive's commitment to improving public services and ensuring that services offer people and communities what they want and need. However, community budgeting as it is defined and described in the green paper will not achieve this. What is required is a clear commitment to **local community planning** which would offer a flexible approach to partners committing resources and working collaboratively at a local level.

7.2.2 Areas of concern with the proposals are therefore as follows:

- a. The paper suggests that communities are disadvantaged because of a lack of investment in service delivery from local authorities and statutory agencies and that publishing information on spend would lead to a redistribution of resources towards disadvantaged communities. There is a danger that the opposite would in fact happen; statutory agencies are likely to be spending more of their resources in disadvantaged communities than in more affluent ones. Making this explicit in public information is likely to lead to less disadvantaged communities demanding a more equitable distribution of resources which would lead to exacerbated inequalities for those living in vulnerable areas. Furthermore it may be very difficult to restrict debate about how spend is targeted to those areas of greatest need. Indeed the communities living in these vulnerable areas are the one which are likely to have the most difficulty in engaging in the community budgeting process.
- b. The document fails to recognise practice experience in a range of fields, for example those attempting to address inclusion issues in the context of race equality, empowering tenants etc. One of the challenging realities of this work is that, initially at least, the transfer of authority without complementary capacity building measures can have unintended consequences. The example of the Tenants Association which, given greater authority, wants to evict anti-social tenants and to limit those who can access housing in their area, is one example of this type of reaction. If, as the paper suggests, we were to move towards a greater degree of devolved responsibility for budgeting, it is not a given that this will be in either local government or the Scottish Executive's interest in terms of addressing social inclusion and equity.
- c. It is assumed that all statutory agencies can identify mainstream spending to a neighbourhood level. This is not the case, given that a majority of services delivered through agencies such as the Council, the Health Board and the Police are allocated on a population wide basis. A similar problem exists in identifying spend on communities of interest, where it would be impossible to identify the level of funding allocated to, for example, black and ethnic minority groups, save for those projects targeted at these groups exclusively.
- d. There is no widespread local demand to record detailed financial information, nor is there a demand for communities to assume responsibility for the delivery of services. Experience in Dundee suggests that communities would much prefer adequately and efficient services to be delivered by statutory agencies.
- e. Reference is made to community budgeting offering a means of addressing cultural and political issues at a very localised level and yet there is not one reference in the paper to the role of elected members who have a clear democratically endorsed role to play in the development of services to neighbourhoods.
- f. The document suggests that community budgeting has the potential to be more responsive to both the Executive's and the communities' priorities. This fails to acknowledge that, frequently, there will be a tension between the strategic objectives of the Scottish Executive, the resource constraints of community planning partners, and the priorities of local communities. In practice the greatest challenge in community planning and/or community budgeting, which the green paper fails to recognise, is that community planning partners may be completely sensitive to the needs and demands of communities, but still unable

to deliver the necessary services due to insufficient funding from central government.

- g. Pooling resources across agencies is a complex process and need not be required to improve joined up service delivery which is possible through better communication, planning and co-ordination between partner agencies.
- h. Engaging with communities is a positive and necessary activity, however community budgeting as defined in the paper may not develop the relationship between service providers and recipients that is necessary to promote realistic discussions on the potential for service improvements
- i. The three levels of community budgeting as described at an operational level are unhelpful. They are presented in a way which suggests that level one is the starting point to any community budgeting process so that local information on mainstream spend is a necessary pre-requisite to community engagement. Level two sketches a process which shares the characteristics of local community planning
- j. The three levels of operation are also presented as a “good, better and best” development. This is not necessarily the case, communities will seldom want to assume the responsibility for service delivery and in most case this would be inappropriate from a consistency of service delivery and best value perspective.

7.3 Given the above concerns Dundee City Council will not express an interest in the community budgeting grant. It would be inappropriate to support an initiative which is perceived as fundamentally flawed and which does not support the approach to community planning which is being progressed in Dundee.

8. **CONSULTATION**

The Directors of Support Services, Finance and Neighbourhood Resources have been consulted in the preparation of this report. Copies have also been forwarded to the Dundee Federation of Tenants Associations, the Dundee Association of Community Councils, the Community and Voluntary Alliance and Dundee Voluntary Action to encourage them to respond directly to the Scottish Executive.

9. **BACKGROUND PAPERS**

None

Director of Corporate Planning Date