

Participatory Budgeting in Guelph

BY LEANNE PIPER | In Canada, interest in participatory budgeting is growing. Examples of places in which this process is being successful applied are: a public school in West Vancouver, Toronto Community Housing, and Guelph's Neighbourhood Support Coalition. These organizations can speak to the empowerment experienced by those who have direct involvement in local budgeting decisions.

Does Participatory Budgeting have the potential to build citizen engagement more broadly across our country?
Can Participatory Budgeting, in fact, become a significant means of revitalizing local democracy in Canada?

In this chapter, City Councillor Leanne Piper shares how Participatory Budgeting has been effective in strengthening communities and community engagement in Guelph, Ontario.

We have been practicing participatory budgeting in Guelph since about 1999, 10 years after it started in Porto Alegre, Brazil. We didn't know that's what we were doing at the time. We called it "Community Allocations" or "Grant Allocations," and it wasn't until we started to do research and learn what was happening in Brazil that we realized what we were actually doing was a localized, adapted form of participatory budgeting.

> EVOLUTION

Guelph is a small city of about 125,000, but we're the fourth fastest growing community in Ontario, which means we're expected to assimilate an additional population of about 50,000 by 2,031. Twenty per cent of new residents to our community are also new Canadians, so as our population is growing, it also significantly diversifying.

In the early 1990s we formally delineated our city into identifiable Neighbourhood Groups. These groups had begun to form organically in that neighbourhoods were already organizing themselves; however, we facilitated a more formal and recognized organization. The City supports each Neighbourhood Group with funding, staff and meeting space. In 1997 five Neighbourhood Groups banded together to form the Neighbourhood Support Coalition as a way of sharing resources and knowledge. The Coalition has now evolved to include 11 groups.

> PARTICIPATORY BUDGETING CONTEXT

The Participatory Budgeting process originated in 1989 in the city of Porto Alegre, Brazil. It was part of a larger reform platform aimed at addressing the city's enormous inequalities in living standards. Since its inception, the Participatory Budgeting movement has been steadily gaining momentum. It has been adopted by more than 1,200 municipalities throughout much of Latin America, Europe and in some parts of the United States and Canada.

Participatory Budgeting is "direct participation of community groups and individual citizens in the process of setting local government budgets." In practice it has many forms, variations that have evolved according to the needs, engagement and political culture of participating communities.

Community organizations and academic and international institutions — including the United Nations — have declared Participatory Budgeting a model for democratic government because it:

- gives citizens a direct voice
- leads to more equitable, locally-appropriate decisions
- leads to more active citizen engagement
- strengthens communities and community organizations
- builds relationships between local politicians and their constituents
- makes local governments more accountable



The Coalition didn't realize they were doing participatory budgeting when they first started talking about sharing some of the city funds that were allocated to them through a city grant process. Some groups had more funds than they needed. Some groups didn't have enough. Some groups were banking for the future while others were always scrambling to find what they needed, undertaking bake sales and other fundraising activities.

It wasn't until about the year 2000 that our City staff started to learn about participatory budgeting in Porto Alegre and how it was developing all around the world. We began to change the language, and look at our process a little more holistically. Who was missing from the table? How could we evolve what we're doing and be even more inclusive?

There's a lovely story from an African anthropologist who was researching the concept of community. He placed a basket of fruit in the distance by a tree and asked a group of children to go and get it. He told them whoever got there first could have the fruit. When he said 'Go,' the children all joined hands and ran together to the tree. Then they sat in a group and ate the fruit. When he asked them why they had done this, one of the children responded, "Ubuntu." Loose Translation: "I am because we are." If one of us isn't happy, none of us is happy.

This whole concept of community — "I am because we are" — is really at the root of how participatory budgeting builds from the ground up.

> HOW DOES THE BUDGETING PROCESS WORK?

This year the 11 neighbourhood groups were allocated about a quarter of a million dollars from the City.

People who are volunteers in the Neighbourhood Group are elected to represent their Group at the Neighbourhood Support Coalition table and be part of the participatory budgeting process. They live in the community and are familiar with all of their neighbourhood programs and the finances supporting those programs. We provide training so that they are also familiar with the allocation/budgeting process.

The crucial task of the representatives in the budgeting process is making the case for the funds that are needed in their own neighbourhoods. Achieving this requires going beyond program titles and numbers to tell the story in real-life terms, based on outcomes and impacts.

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There are three general funding categories that reflect the work of the Neighbourhood Groups. Each group lists its funding priorities in each category.

The representatives have the authority to make decisions on behalf of their Neighbourhood Group, and those decisions are binding. Council is deliberately entirely removed from this process, and in fact it's likely that most councillors do not even know where the money is ultimately allocated.

The representatives agree that their deliberations and decisions will be made in accordance with the Neighbourhood Support Coalition's vision, principles and operating procedures. A third-party facilitator

> FUNDING CATEGORIES	
Neighbourhood Groups determine funding priorities in each category:	
Community building	<ul style="list-style-type: none">• One time events (BBQs, festivals, clean-ups)
Community engagement	<ul style="list-style-type: none">• Newsletters, websites, town hall meetings• Volunteer management, training, fundraising
Neighbourhood programs and services	<ul style="list-style-type: none">• Regular programs (after-school programs, homework clubs)• Food or clothing cupboards

> Q&A WITH LEANNE PIPER

Q: How did you move from five to 11 Neighbourhood Groups?

A. We have an established process for becoming a neighbourhood group. First of all there must be some engagement, some demonstration of interest. The group must have a constitution, a list of guiding principles, and a defined boundary. At that formative stage the group does not participate in the budgeting process, but members can observe the participatory budgeting process. They must reach the capacity-built stage, where they have all the volunteers and they're ready to run the program. We have groups that are currently in that formative stage. Sometimes, it can take a formative group several years to become a functioning group.

Q. I wonder about the gap between the 'have' and the 'have-nots.' How do you deal with that disparity?

A. At that big round table where 11 people sit during the budgeting night, it's the telling of stories that determines the outcome of the allocations. And often, the 'haves' will relinquish what they came to ask for because they hear the stories from their neighbours that trump their own wishes

I can give you an actual example. A neighbourhood group in a 'have' area wanted funds to put on a big costume parade and Halloween fireworks event for the neighbourhood at the Park. They told the story of how it was going to build community, and they made a good case for it.

Then the next, low-income, neighbourhood told a story about needing a breakfast program. They brought testimonials from the school children; additionally, a teacher who attended the meeting described how undernourished students are disadvantaged in the classroom.

The Halloween party representative said, "I don't need my party anymore.

The process really works itself out beautifully, and it's something I can't explain. But it's happening.

is brought in to manage the meetings, but they are participant-driven. Some agencies, such as the United Way, sit in as resources, but they do not make or influence decisions. They are there to answer questions or provide support where needed.

And always, a follow-up evaluation meeting is held very soon after the process concludes. The follow-up is an opportunity to review what went well, and what could be improved.

> LESSONS LEARNED

Lesson One: Consensus-based decision-making is an underlying principle in all these Participatory Budgeting processes.

We often think that when we send people in to scrap over money, it will be very, very hard to come to consensus because everyone's reason for being there is to come out with as much as they can for their neighbourhood group.

But it isn't like that.

Case in point: I have four kids. If I give one of my children \$10, and I tell him he can spend it on whatever he wants, pop and candy are

usually the first things on the list. But I've done an experiment. I gave all of my kids collectively \$100 and told them to decide who needed it the most and for what use. I expected they would divide it \$25, \$25, \$25 and \$25. But surprisingly that didn't happen. I told them they each had to make a case for why they needed the money or a portion of the money. And they did. My

older son said he needed new strings for his guitar. My daughter wanted to go to a movie with her friends. In the end, the consensus was to give the entire \$100 to their younger brother who was going on a school trip to Italy and didn't have any spending money. I was totally shocked. He went to Italy, and he returned with souvenirs for each of his siblings.

A belief in inherent generosity is the underlying principle of participatory budgeting. It is not a gladiator scene. There's no "tyranny of the majority." There is story-telling and there is 'give and take.' At the onset everyone agrees to the ground rules, and that means everything will be done by consensus.

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It's not always pretty, I admit. There are times when someone is making a case for her neighbourhood and the others do not feel that it warrants the requested level of funding. They challenge each other. Sometimes the meetings go into a second and third night. Participants have to be able to decide at what point they need to continue to voice their disagreement and when they're prepared to withhold their opinions so that decision-making can continue. That's a learning process. Many of our community volunteers have been through this more than once and they've learned that skill.

In the end, whenever there's disagreement the participants pause and they talk about what is causing the disagreement. The process does not go forward until a consensus is reached. That's messy, let's face it. But democracy is inherently messy. And that's okay.

The long, sometimes arduous path to consensus is always worthwhile. It informs and it builds strength of understanding in the wider community. The power imbalances of higher and lower income neighbourhoods are thus lessened. Everyone has to consider all of the projects fully, and each has to describe and justify his or her own projects. Individuals can't just vote 'for' or 'against' and move on. It takes patient negotiation to find a balance and establish priorities.

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Q. How do you get legitimacy? What's the process of the groups?

A. How to achieve legitimacy is an excellent question. The neighbourhood representatives who are sent are not elected through a formal process. They're not really self-appointed. They are 'focus' people. They have a whole committee around them telling them what to ask for and why. The representative is merely the voice. Before those 11 reps sit at the table, they are out in their communities asking people what their priorities are. That's when those groups within the community who might not be able to speak publically get their voice in. So, by the time the representative gets to the table, he or she has an assignment that's been given to him or her by a much, much larger, empowered group: the neighbourhood itself. And that's where the legitimacy comes from, because representatives are not speaking for themselves.

Lesson Two: Training is essential.

Our volunteers always have various levels of experience with the budgetary process. It is important to invest in training for the “technical” skills: how to complete reports for the process, elements of accounting and budgeting. There are also the soft skills: negotiation and how to participate in meetings successfully.

Lesson Three: Accountability and transparency.

Participatory budgeting is the best example of how to be accountable and transparent. There are also, however, formal reporting requirements. There is a relationship between the agencies and the City through which these groups deliver the programs that they promise.

Lesson Four: There's a high demand on volunteers.

Volunteers bear the burden of hours and hours of training, participating, and then recording.

Lesson Five: Processes are never perfect.

The processes must be open to change. Every year the program evolves just a little bit differently.

> PARTICIPANT EVALUATION OF THE BUDGETING PROCESS

In the evaluation process we hear all kinds of feedback. Participants feel a real responsibility to the community. They feel empowered. Although they didn't start out as such, they have become some of the most active community leaders.

During our evaluation, we use a guided process, asking a series of questions:

- How was the process, the training, the preparation, the presentation?
- How did the process make me feel?
- Why did things happen this way?
- What should we do about it?

We ask them about feelings. Some leave the budget process feeling that they've let their community down if they didn't get money for specific projects. They need to be prepared to return to their communities and present the rationale behind the budget decisions, and they need to have support in order to do this.

> THE BENEFITS

We know that the benefits extend well beyond the hundreds of community projects that are funded and implemented each year. If our only goal was to fairly divide up \$225,000, there would be easier and more efficient ways of doing it!

Lots of new skills and leaders are emerging from the participatory budgeting process. The volunteers are learning negotiation, consensus building, accounting and budgeting, and meeting facilitation. They are acquiring real life skills that they can take to jobs and to their families,

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Q. Have you seen any impact on community engagement? Has voter turnout increased significantly at all?

A: Guelph has about the same voter turnout as experienced throughout the rest of Ontario. However, we're finding the spillover from participatory budgeting is that the community now wants a bigger say in the overall city budget. Our gallery is usually full on budget night when we deliberate capital and operating budgets for the whole city. We have delegations that go well into the evening, advocating for a whole range of projects.

Although they are not in a decision-making role in the overall city budget, individuals within the community want a bigger voice in all the other envelopes that we manage because of the enhanced role they have now that we have opened the participatory budgeting envelope.

And I think it's time to respond positively to this interest and hand some of those envelopes to the community to peer into and have a role in unpacking.



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Through the story-telling they are learning about other neighbourhoods and gaining new insights into, and a much broader view of, what's happening in our city. Perhaps most importantly, they are acquiring a skill set and sense of empowerment that will be the foundation for becoming the community leaders of the future.

> WHAT'S NEXT FOR GUELPH?

We want to take participatory budgeting to the next level. It's time to talk about allocating our Arts/Culture grants using this process, and another step would be to open up some of our operating budget for Parks and Recreation.

But we're starting to hear those usual excuses at Council:

"Citizens cannot possibly understand the complexities of budgeting process." Well, I'm an architectural historian with no financial or budgeting background. Why am I on Council? Why do I have any more experience in budgeting than the neighbourhoods who are delivering the services? Budgeting is a process; it can be learned. Accountability is more important than the technicalities of line-driven budgeting.

"Budgeting is our job." Hogwash. We delegate to staff on a daily basis. Of course we can give away part of our budget.

"There's no accountability." We hear that all the time. That's probably the biggest one, and I say 'horse-hockey' to that, too, because accountability is stronger with the participatory budgeting process. Those groups, those individuals, have to be accountable to the citizens that they serve. And they are very much held accountable by their neighbours. That kind of personal relationship is the highest form of accountability.

This movement to adopt a participatory budgeting method is catching on. If you are looking at any part of your portfolio to delegate to your community through participatory budgeting, I highly encourage you to move in that direction. All the challenges we have experienced along the way have been well worth the effort.

As someone noted, "Participatory budgeting is a game-changer." If we start with participatory democracy at the local level, maybe it will catch on nationally. ✎

