Participatory budgeting (PB) is a process in which citizens make budget decisions that affect their communities. Although PB has been widely overlooked by planners, this innovative participatory practice has spread across the globe. Each PB case is unique in its objectives, implementation, and scale but they all engage citizens in decision-making that impacts communities.

The following article highlights the long-running PB process at Toronto Community Housing (TCH). As a leading example of PB in Canada, TCH’s innovative and evolving participatory practice has been in place for over a decade. Today, tenants at TCH allocate $9 million for projects and improvements, taking charge of approximately ten per cent of the annual capital budget. The PB process involves TCH tenants proposing, deliberating and voting on capital projects, proving that budgets can be developed by citizens, often with highly positive results. Outcomes include more proactive tenant participation and an expanding civic sphere.

The PB process is an example of what Archon Fung calls “bottom up, top down governance” where the support, resources and accountability of a centralized institution are linked to a community that has authority to make decisions at the local level (Fung, 2002). In the case of TCH, public budget making is grounded in community decision-making and supported by an institution committed to meaningful tenant engagement.

A look at the evolving PB process at TCH will elaborate on some of the challenges facing this unique participatory practice, as well as the opportunities it presents for meaningful community engagement in an area that receives limited attention from planners.
Background & Context
Latin America has a long heritage of PB, with many large-scale processes that have been in place for over two decades, particularly in municipal governance. PB’s roots in Brazil were linked to democratic social movements and the goal of more equitable distribution of resources to communities in need (Wampler, 2007). PB soon emerged in other Latin American communities, where the practice has become a staple of some political settings.

As the model crossed national and international borders, it has diversified both in form and purpose. Today, practitioners abscribe a number of objectives and related outcomes to PB (Cabannes, 2004; Sintomer et al., 2008). Some consider it a tool to improve government accountability, since inviting citizens into public budget making can increase transparency of government processes and decisions (Souza, 2001). It is seen as a strategy for social justice due to the allocation of resources based on community input and needs (Wampler, 2007). Others point to the capacity building and educational functions of PB as it draws citizens into the civic process, nurturing both a sense of community and civic responsibility (Schugurensky, 2009).

Despite its diversity, PB has a number of basic characteristics. It first involves communities meeting to identify spending priorities and projects; local delegates are often elected to represent communities, working to develop concrete project proposals; these representatives or delegates get together to deliberate and vote on priorities; and funded projects are monitored and implemented over a repeated, year-long cycle (Baiocchi & Lerner, 2007; Duarte Laudon, 2009).

Facts of the Case
Canadian PB is a rare animal, modest in scope and with mixed results. Documented sightings over the past decade are reserved to a one-year project at an elementary school in British Columbia, a short-lived and defunct process in the Plateau Mont-Royal, Montreal, and a smaller PB process undertaken by a coalition of neighbourhood groups in Guelph, Ontario. For this reason, the long-running nature of PB at TCH is an important benchmark for PB in Canada.

PB began over a decade ago when the housing staff of TCH’s predecessors (Toronto Housing Company and the Metropolitan Toronto Housing Corporation) decided to strengthen relations with tenants. A Tenant Participation System (TPS) was implemented with the purpose of bolstering the accountability of the organization and facilitate dialogue between tenants and staff (TCH, n.d). PB is one tool in place at TCH to engage tenants. In 2000, two PB processes were piloted, and later integrated when the companies merged in 2002. Since then, TCH staff has worked closely with tenants to design and deliver a PB process that makes sense to the local circumstances.

“At Allocation Days, tenants learn democracy by doing” - Josh Lerner.
Today, PB at TCH takes place in four main steps:

“1) Building Meetings: Tenants and staff hold meetings in each TCH building to discuss local budget issues and identify each building’s top priorities for capital projects in “common spaces” such as playgrounds and P/A systems. Tenants also elect budget delegates to represent their buildings in further budget deliberations.

2) Delegate Preparation: Budget delegates attend preparation meetings to further develop a coherent proposal and presentation for their building’s chosen priority that will be later used to garner votes at “Allocation Day.”

3) Allocation Days: Budget delegates attend “Allocation Day” in their respective districts to discuss spending priorities. They review and vote on building priorities for TCH to implement throughout the fiscal year.

4) Implementation and Monitoring: Tenants oversee implementation through a monitoring committee” (Laudon, 2009, p. 7).

Outcomes

Local Ownership
Participation in PB cultivates a sense of local ownership for both tenants and staff. Tenants identify priorities at building meetings, and exert control over PB by monitoring Allocation Day and influencing the design of the process through monitoring committees. Ownership is also evident in the mentorship that tenants provide to one another in the form of guidance and advice. Participation in PB has connected existing social groups to each other through the budget making process, and has been an impetus for tenants to get more engaged in their community. Field staff also report an increased sense of pride and investment in PB as their responsibilities to manage Allocation Day have grown over the past few years (Lerner, 2011).

“It’s an actual decision that really impacts, for good or for bad” – Gail Johnson, TCH.
Growing Tenant Participation

The organization’s decentralization provided an opportunity to revamp the PB process in 2009. Today $9 million is allocated directly by tenants through a transparent PB process. In addition, instead of just one “1.8 Day”, thirteen Allocation Days are held, opening up space for many more tenants to serve as delegates. The result is increased tenant participation at Allocation Days, with 335 tenants taking part in 2009 and close to 400 in 2010 – approximately six times more tenants participating than in previous years (Lerner et al., 2009, 2010).

New Civic Spaces

Budget making is a form of policy that directly impacts daily life, but is rarely a forum for the non-elected. In contrast, TCH tenants engage directly with fiscal management, putting the public into public policy. Tenant decisions are connected to tangible and visible improvements, and there is awareness of how public spending can impact daily life.

The PB process also provides new spaces for TCH tenants to be active decision-makers. At building meetings and Allocation Days, tenants take part in public discussion and debate, sharing local knowledge and flexing their civic muscles in the presentation and vote of proposed projects. Tenant representatives also engage in PB evaluation design and project monitoring through monitoring committees, making recommendations about project progress and allocation of reserve funds. This moves tenants beyond typical scenarios of citizen engagement.

Lessons Learned

Clarity & Consistency

Making the PB process clear and consistent has been a recurring theme in the evolving participatory model. Tenants and staff have pushed for more clarity in a number of areas, particularly monitoring and implementation, and have dedicated time and resources to improving communication and support. The provision of information in a timely and clear manner contributes to an effective process and an improved tenant perception of PB effectiveness, with the overall rating jumping by 20% in 2010 (Lerner et al., 2010).

Formalizing existing structures, roles and responsibilities gives everyone a chance to understand the rules of the game, and to participate (Freeman, 1970).
Without an easily understood process, participation is more vulnerable to manipulation. Formalized organizational commitment to tenant engagement may also protect the participatory process during shifts in political, fiscal and organizational culture. This is a timely reminder as TCH experiences dramatic changes to leadership and pressure on its capital budget.

**Decision-making & Communication Tools**

TCH staff understand that facilitation approaches and support structures can cultivate tenant engagement. Staff, tenants and external researchers have worked together to test participation methods prior to engagement and using motivating approaches to draw tenants into conversation and decision-making. Attention is also paid to developing capacity for tenants’ communication skills and removing barriers to engagement. This includes providing language translation, child-care, help with public speaking and presentation materials, and background information on buildings.

Using the right decision-making tool can help meet the goals set out at every stage of the process. It can also help build participants’ confidence in the outcomes. For example, while some tenants choose building priorities by consensus, others use the “dotmocracy” approach (see Figure 2). Dotmocracy is an excellent tool to identify priorities and test the general level of interest among participants but has proven to be a less successful tool for final voting. In 2010, after delegates and staff advocated for a more private and formal process during Allocation Days, tenants began to use a paper ballot system instead.

**Evaluation & Co-Design**

PB has evolved over its ten-year life at TCH. Tenant and staff engagement in the evaluation and redesign of PB has played an important part in this evolution. In 2009 and 2010, PB was formally evaluated, directly engaging tenants, staff and external PB researchers in participatory research. Tenant and staff involvement in the evaluation helped to build knowledge and skills around the design and measurement of participatory decision-making processes. The evaluations also reported positive changes to PB, such as improved delegate preparation, and identified areas for improvement.

**Build a Culture of Engagement**

PB at TCH relies on staff to manage and implement PB projects as well as promote and educate tenants about PB. The overall commitment by TCH within a broader culture of tenant engagement is critical to keeping PB in place. Staff investment in the process and the ability to provide ongoing education and training to tenants about PB is particularly important when there is a large percentage of new participants taking part in the allocation process every year.

Figure 3 - Note taking by a tenant researcher at Allocation Day (Lerner et al., 2010, p. 5).
Could the reliance on TCH staff create a culture of dependency and inhibit tenant ownership of the process? Tenant participation in project monitoring, implementation and process design may help cultivate tenant ownership. One example is already in place. Tenant monitoring committees are a way for tenant delegates to hold staff accountable for project implementation and extend tenant participation further along the annual project cycle. Involving tenants in co-design of the PB process alongside staff may be another way to encourage ownership and mitigate dependency.

**Diversify & Partner PB**

Tenants have said that that PB could benefit from more collaboration with outside community groups (Lerner et al., 2010). A partnered approach can provide additional support to implement the PB process and generate more tenant engagement. It can also broaden the scope of possible projects, alleviate pressures on capital funds, strengthen a network of like-minded organizations, and spread awareness about the PB process across the city. However, a partnered approach would likely require more administrative support from TCH. This obstacle must be dealt with to ensure additional work pressure on staff is handled effectively.

**Conclusion**

Participatory budgeting at Toronto Community Housing serves as a successful example of innovative and evolving participatory practice. The approach effectively marries community leadership and decision-making with institutional support. The longevity of the process is a testament of TCH’s long-standing commitment to tenant inclusion, a vision bolstered by policy and dedicated staff. As a result, tenants have gained ownership over decisions that shape their living spaces and staff has found new and exciting ways to effectively engage tenants. What is more, the evolution of the model has taught us many lessons about the current challenges facing citizen participation as well as the potential it holds for improving public decision-making.

“PB has not only benefited TCH communities materially, but has increased tenant participation in community planning and generated community building among its diverse population” – Joanna Duarte Laudon.

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Figure 4 - Tenants celebrate success at an Allocation Day (www.torontohousing.ca).
Bibliography


