

# **CITIZEN PARTICIPATION AND SOCIAL REEQUILIBRIUM IN THE CITY OF MADRID: THE SPECIAL INVESTMENT PLANS**

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## **Abstract**

The Special Investment Plans are initiatives created by the Madrid City Council in 2003 to solve social the problems about social and territorial imbalance which taking place in the city, incorporating social actors in the formulation of public policies of investment. This initiative is a kind of participatory budgeting, where the local government and residents in the affected districts, have created stable cooperation ties and information exchange. This program are benefiting at 41, 76 percent of the population, representing an investment of 829.581.341 euros and the execution of 207 actions by the local government. At the same time, this program has allowed: define the problems together, identify priority areas for investment and implement mechanisms for monitoring and evaluation of the local government actions.

## **Key words**

Local government, investment, territorial imbalance

## **1. Description of the practice**

In big cities around the world and Madrid is one of them, the local governments must attend to important challenges to improve the quality of life of the citizens. These challenges are the result of a high degree of diversity and complexity in the demands and citizen preferences. The cities have become in spaces where multiple realities converge, where contradictions and conflicts persistent. The following factors have contributed to create this reality: globalization, scientific and technological progress, changes in the economic and production model, migration and demographic pressure.

The local governments have to try to identify and canalize the changes produced, establishing cooperation ties and participation mechanisms with private and social actors. Actually, there is recognition the role of local government to identify more accurately needs and mobilize people and resources on a sustained basis. These mean that the local government can implement better strategies to balanced territorial development through participatory planning.

In this context, the Madrid City Council has promoted since 2003 a new legal and institutional frameworks which ensuring the effective citizens participation in public decisions. This initiative has allowed establishing a permanent organ for civic participation in the city; one Territorial Council in each district that divide administratively the city and one Director Council whose develop the strategic plan for the city. With this model the City Council is trying to increase citizen participation, strengthen democratic values and, through implementation of effective policies, improves the quality of life for citizens.

The Special Investment Plans are an example about citizen's participation in local policies, they are innovative policymaking processes. This model is an efficient instrument to increase citizen participation and incorporate social actors in the decision-making process about social and territorial policies in the city. In this initiative, communities work together with the local government to agree on how to spend limited local government resources and how to reduce social and territorial imbalances in the city more effectively. The Investment Plan's goals are the following:

1. Achieve a better social and territorial balance in the city of Madrid, through strategic planning and shared actions such as: infrastructure, special equipment and social program. All this have been respecting environmental standards and seeking economic and social development in the affected districts.
2. Increase the citizen participation in the creation of public policies and initiatives formulated by the Madrid City Council.
3. Strengthen the relationship between the City Council, neighbours, the civil society organizations and NGO's.

The Investment Plans incorporate some elements of strategic planning but the values of participatory process are the key to success of this initiative:

1. Territorial solidarity. Looking for a social rebalancing and territorial cohesion.
2. Government accountability. Decision-making process is based on the join work: local government and social organizations.
3. The Citizen as the main reference. The policies and decisions will be geared to citizens, with a major efficiency and transparency in the public resources management.
4. Promoting partnership. Incorporation citizens' movement throughout the decisions-making process.
5. Participatory diagnosis. Defining the districts needs to make the plans, with input from neighbours, associations and citizens. groups
6. Interaction with several policies and programs developed by the City hall of Madrid. Implementation of the consultation mechanisms and technical support to promote the coherence in the proposed actions, with other existing plans and programmes.

The investment plans methodology is indirect. Participation in discussions and decisions takes place through social and neighbourhood organizations. The citizen is represented through his or her leaders; however the Madrid City Council is designing a new ways to ensure citizen participation through the establishment of a permanent platform for citizen's consultations, which is called "Madrid Participa".

The Plans are elaborated in a certain period of time in conformity with the stages and aims, which are agreed between all the participants. The execution is realized in a temporary framework, generally 4 years. This period is determined by the Madrid City Council, through the Civil Participation Area. It is possible to extend the period of time that was set in the plans, in conformity with the execution of the actions and citizen's requirements. When the execution have finished, the actors involved can request the

renovation of the plan and then if there was a consensus on this proposal, all the actors would begin a new consultation process.

In general, each plan has the following temporal frameworks:

<b>DISTRICTS</b>	<b>TEMPORAL FRAMEWORKS</b>
Carabanchel	2004-2008
San Blas	
Tetuán	
Vicálvaro	
Latina	2005-2008
Villaverde	2006-2011
Puente Vallecas	2008-2012
Villa Vallecas	
Usera	2009-2013

Table: 1.Temporal frameworks.

About the budget, the discussion between social actors and local government is focused on the problems and needs of districts and then the participant do not discuss about budget or Financial allocation in each proposal. There are no resources pre-allocations or specific percentages in the municipal budget that limits the decision-making process. The Madrid City Council promises to include in the Annual Budgets the corresponding and feasible part of all the investments and actions contained in the Special Plans of Investment based on municipal competition. This commitment is included in the agreement that is signed by the actors involved.

The Special Plans of Investment have the following budget:

<b>PLANES ESPECIALES INVERSIÓN</b>	<b>MONTO</b>
Presupuesto Comprometido a abril 2009	
Latina	51.013.361
Carabanchel	195.548.279
Tetuán	75.285.858
San Blas	38.317.885
Vicálvaro	101.607.548
Villaverde	123.501.340
Puente Vallecas	65.010.389
Villa Vallecas	136.965.064
Usera 2009-2013	24.515.375
Usera 2006-2008	17.816.242
<b>TOTAL COMPROMETIDO</b>	<b>829.581.341 €</b>

## **2. Phases of the plans cycle**

The Madrid City Council and the Regional Federation of Neighbourhood Associations in Madrid elaborated a document to identify the districts with a lower living standard than the average of the city. They designed an index on territorial imbalances in Madrid with several social and economic indicators such as: demographic indices, education, health, unemployment rate, per capita income etc. Immediately a process of conciliation began in every district for the elaboration of the Investment special plans. The plans cycle go through a series of steps as follows:

### **Organization and launch**

The Investment Plans cycle begins with meetings in each of district which the Civil Participation Area promotes and coordinates a series of preparatory meetings with the representatives of the Regional Federation of Neighbourhood Associations in Madrid. During these meetings, local government and social actors discuss about rules and procedures that will guide the making process.

During the plans cycle the City Council provide a structure for citizens and social actor to gain the necessary information to develop better understandings of their political and administrative environments. At the same time, citizens gain access to technical information about city and districts indicators, laws or land uses. In this phase, the most important element is the creation of a more transparent relationship between social actors and the local government.

### **Participatory diagnosis**

The local government and social actors elaborate a paper about needs and priorities in the district, each actor present its own priorities. Most of the time, the demands have to do with an improvement in living conditions as education, health, social programs, transport etc. At the end of the phases, the actors approve one document with several needs and problems in the district that will be analyzed in three special commissions.

In this phase, the local government creates a coordinating mechanism between all its units and department, such a manner that the plans and programs of other government units operating in the districts are taken into consideration during the preparatory stage. This goal requires that principal units or departments operating in the districts work together and check their programs so they may provide common support and they may share information that can help in the decision-making process.

### **Presentation and prioritization of proposals**

In The third phase, the actors define the actions and programs that will be implemented by the local government. The actors create three kind of participative commission to discuss the diagnostic document approved: Conciliation Commission, Forum of Associations and Territorial District Council. Each district has competing investment priorities. The needs must be ranked according to prioritization criteria such as issues of affordability, extent of the community support, alignment with established goals of the plans and relationship to other projects and activities.

During this stage, participants should have acquired sufficient information to promote the priorities of their communities and to make decisions. The social actors can do meetings at the neighborhood levels to provide formal or informal information about priorities and proposals discussed. These meetings also provide an opportunity to propose local investment projects and elaborate a list of priorities. At the same time, the meetings help to mobilize neighbors toward key goals in the decision-making process.

In general, the participants spend a significant amount of time negotiating and building consensus on the priorities that will be funded. The final plan proposal is usually approved by consensus and the final list of priorities is presented to make a study of viability.

### **Study of viability**

The government carries out technical and financial feasibility studies for each proposal that includes financial and technical assessments and social and economic impact. The Madrid City Council prepares cost estimates of the priorities and develops complete feasibility studies for every project on the priority list. The financial and technical feasibility study determines which priorities are viable and sustainable.

### **Programming and approval**

The Conciliation Commission reviews the technical and financial feasibility studies and determines final set of priorities for the plans. At this meeting, the participants approve the final list of proposals by consensus.

After that, the Civil Participation Area presents a draft of the Special Investment Plan which brings together in one document all projects of the all local government areas operating at the district level. The Plans usually contains the following aspects:

1. Actions, programs or projects are assumed by the Madrid City Council. In this case, incorporates development projects of the local government operating at the district level
2. Transfer of land to other administrations for the implementation of actions, outside the municipality jurisdiction. This is a useful tool for planning, management and co-ordination of district development and very important way of building effective cooperation between diverse government levels.
3. Urge other government levels to develop specific programs in the district. In this case, it facilitates co-operation to share future plans with the local government at the district level.

Once the plans are completed and adopted by all participants, the local government provides the essential programming and allocates the necessary resources for its implementation. In this phase the Civil Participation Area makes an immediate reminder to the agencies of their commitment to the set of projects and activities incorporated in the plans. Finally, when the plans are completed, the participants distribute to all who must use and refer to them, principally neighbours, NGOs, mass media, members of other units and departments in local government and any interested citizen.

### **Implementation, monitoring and evaluation**

The purpose of this stage is to monitor and evaluate the actions approved in the decision-making process. The Plans are monitored to renew the entire execution process and to meet any change in development conditions. In this sense, once the Plan is approved the Conciliation Commission is closed and two commissions are constituted: Administrative Coordination and the Civil Commission of Monitoring. During this last phase of the cycle, social actors participate in the procurement process (tendering and contracting), monitor the execution of the public works and evaluate the final quality of the works.

The aim of the Administrative Coordination Commission is the integration of different bureaucratic units into the policy-making and implementation processes. All the units in

The City Council must work together to coordinate the timing of policy projects and ensure that they are completed in time agreed.

Finally, the Civil Commission of Monitoring is an important participatory space that is created in each district to supervise the implementation process of the plans. In this case, the different units in the City Council work with community leaders to design the appropriate projects and monitoring all public actions.

The Civil Commission of Monitoring takes into consideration the impact on the community, on the quality of life, ability to mobilize resources, distribution of income and environmental . The participants in this Commission evaluate the plans according to the following principles: the goals should meet according to the priorities approved; clarity and openness in all activities and processes and the actors are held responsible of keeping all the citizens informed.

<b>DISTRICTS</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2004-2005</b>	<b>TOTAL</b>
Carabanchel	1	3	3	6	14	27
Tetuán	1	3	2	5	12	23
San Blas	1	3	2	9	12	27
Vicálvaro	1	1	2	3	10	17
Latina	1	3	3	9	12	28
Villaverde	1	2	3	6	-	12
Puente de Vallecas	1	3	-	-	-	4
Villa de Vallecas	1	2	-	-	-	3
Usera	1	-	-	-	-	1
<b>TOTAL</b>	<b>9</b>	<b>20</b>	<b>15</b>	<b>38</b>	<b>60</b>	<b>142</b>

Table: 2. Civil Commission of Monitoring, amount of meetings in the districts

### **3. Mechanism of participation**

The Participation mechanisms are different kinds of public meetings and participatory spaces where citizens can express their ideas on public matters. These are organized around the specific phases in the Investment Plans cycle, for example there are five participation mechanisms that are constituted with clear goals and objectives during the elaboration and monitoring phases in every district. They are briefly described below:

#### **Conciliation Commission**

It is the principal space of deliberation and decision-making. Its job is to approve the diagnostic research about the district, discuss and prioritize the proposals presented by the actors and approve the Plan. The Commission is integrated by the following actors:

1. The Madrid City Council coordinated by the Civil Participation Area and the Municipal District Boards.

2. Neighbourhood Associations, coordinated by the Regional Federation of Neighbourhood Associations Madrid (FRAVM).

### **Forum of Associations**

It is an instance of participation and consultation convened by the Civil Participation Area. The principal aim is to canalize ideas or proposals of all associations and citizens groups, with operations in the district.

The Forum is the best example of joint action, where principal efforts are directed to overcome divisions about making and implementation of social and territorial policies. One permanent challenge in this kind of Forum is to make that the local government and social actors take effective and integrated action, with joint citizen participation.

### **Territorial District Council / Standing Committee on Agenda 21**

Agenda 21 is a public participation process promoted by the Madrid City Council, where are involved citizens, businessmen and civil associations, to make policies and take actions to promote local economic and social development, in agreement with high environmental standards.

For example, the following actors participated in Puente y Villa Vallecas decision making process.

<b>PUENTE VALLECAS</b>	<b>VILLA VALLECAS</b>
The Municipal District Board	The Municipal District Board
AVV. Norte de la albufera	PSOE
AVV Los Álamos	IU
	CP EL QUIJOTE
AVV. Fontarron	AV La Chincheta
AVV. Madrid sur	Nueva Castilla
AVV Los pinos de san agustín/	Av. La Unión

Table: 3. Territorial District Council / Standing Committee on Agenda 21.

### **Civil consultations**

They are mechanisms of direct participation of the citizen to the elaboration of the elaboration of the Special Plans of Investment. The consultations are organized by the Civil Participation Area with the objective to collect, between the resident of the district, opinions or suggestions about priority of public investment.

### **Civil Commission of Monitoring**

It is responsible for monitoring and evaluation of the Special Plan of Investment. All things agreed between the Civil Participation Area and neighbors must approve at the respective committee. Since 2005 have been conducted 123 meetings (total) in 8 districts.

The local government has made a gradual incorporation of new technologies in these participatory mechanisms to achieve more transparency, access to information and citizen participation. In this sense, the city of Madrid has developed the following actions:

### **E-information**

The local government provides information through its official website such as: general information on the actors involved the structure of the area responsible for the participatory process, budgetary issues, regulations and legislation, statistical data of the districts and activities calendar etc. The website is also used to follow progress in the implementation of public works and services prioritized by the population. It also provides information about the services that are available from the beginning to the end of the programs implemented.

### **E-consultation**

The City Council has created electronic spaces of participation to facilitate the citizen consultations on public matters during the decision-making process. Citizens can express their ideas through mobile phones or computer with internet connection.

### **E-Decisions**

The local government incorporates the results of e-participation in the decision making process. After the consultations, several documents are prepared with the citizens' opinion. The result is a single document that is used during the prioritization phase.

## **3. Impact of the Investment Plans**

The execution of the Special Plans of Investment has supposed an improvement in territorial imbalances benefiting to the 46.31 percent of the population in nine districts.

<b>DISTRICTS</b>	<b>POPULATION</b>	
	<b>TOTAL</b>	<b>PERCENTAGE OF PEOPLE COMPARED WITH MADRID'S POPULATION</b>
Latina	259.830	7,91
Carabanchel	257.887	7,86
Tetuán	156.918	4,78
San Blas	158.025	4,81
Vicálvaro	69.986	2,13
Villaverde	150.523	4,59
Villa Vallecas	78.347	2,39
Puente Vallecas	246.823	7,52
Usera	141.864	4,32
<b>TOTAL</b>	<b>1.520.203</b>	<b>46,31</b>

Table: 4. Population in the each district.

The Special Plans include actions in areas such as education, culture, social facilities, health, transport and mobility etc. These actions approach in an integral way the risks of the social exclusion and the territorial imbalances, for example, the most prominent actions are: the Expression Center for New Technology-Nave Torroja in Villaverde district; the Social Center for Women in Carabanchel; the Business Center in Vicálvaro and the Special Center for Old People in Tetuán.

<b>DISTRICT</b>	<b>PUBLIC ACTIONS</b>
Latina	18
Carabanchel	22

Tetuán	19
San Blas	22
Vicálvaro	12
Villaverde	41
Villa Vallecas	22
Puente Vallecas	26
Usera	25
TOTAL	207

Table: 5.Actions developed by the Madrid City Council.

The first impact studies yielded very encouraging data. For example, the first district with a Special Investment Plan (San Blas) had gone from having an income 22 percent below in the average for the city to be only 2 percent below. The following table shows the evolution of territorial imbalances in the districts:

DISTRICT	2003	2005	TREND TO REBALANCING – IMBALANCE
Tetuán	1,18	1,14	-0,04
Latina	0,88	0,87	0,01
Carabanchel	0,85	0,91	-0,06
Puente de Vallecas	0,83	0,89	-0,06
Villaverde	0,79	0,88	-0,09
Villa de Vallecas	0,82	0,93	-0,11
Vicálvaro	0,77	0,87	-0,1
San Blas	0,88	0,95	-0,07

Table: 6.Evolution of territorial imbalances in the districts.

However, it is early to assess the real impact in the city, but Plan prepared through participatory process constitutes more than a programming device for the local government and it is possible to emphasize the following achievements:

1. The Investment Plans promote social incorporation. The citizens concerned with the lack of health care services or poor quality education can express their demands in a participatory process to be discussing with local government.
2. With this initiative the local government dedicate higher levels of resources to the under-served areas and spend more resources in poorer neighborhoods.
3. A greater number of projects and programs are implemented in the districts. These public actions often have an immediate impact on the quality of life for a neighborhood or an important impact in the public services.
4. The public resources are used more effectively. More efficient use of public resources most directly affects poorer districts and low-income citizens.

#### 4. Public learning and citizen participation

Participation, responsibility, transparency and territorial solidarity are principles that guide the local government. Citizens and social organizations work with the local government, beyond the diagnosis or making plans. In general, stakeholders are incorporated into the formulation and of social actions and programs. At the same time, the new decision-making processes have supposed changes internal to local government. For example, during the participation process the following problems were identified:

1. In the first plans, opportunities for participation had favoured the role of neighborhood associations in decision-making process and then different social actors had remained outside to the process.
2. The flexible dynamics had ended up by turning aside the deliberations of the initial aims. The negotiations became very extensive and this reduced the amount of time that participants were able to dedicate to global problems.

In this context, the Special Investment Plans have had important changes in the last editions. The changes have supposed the creation of new participation spaces and the incorporation of other consultation mechanisms. All this change was stimulated by the Madrid City Council with the support of all the citizens. For example, the Civil Participation Area made important changes in the Villa and Puente Vallecas cases such as:

1. The results of the consultation process “Agenda 21” and the information that was obtained in the public consultation "Madrid Participa” was incorporated into the decision making process to increase the civil participation and complement the studies research about needs and priorities in each district. The following table shows the participation volume achieved in “Madrid Participa”:

<b>DISTRICT</b>	<b>DATE</b>	<b>NEIGHBOURS</b>
Puente Vallecas	From 1 to October 15, 2007	2600
Villa Vallecas	From 19 to November 30, 2007	2031

Table: 7. Participation volume achieved in “Madrid Participa”.

2. In the last plans, there are more social programs compared to previous plans. The social incorporation has turned into an important aim of the Investment Plans.
3. The Madrid City Council has created a new program: “the neighborhood plans”. Following the methodology applied in the districts, the local government is benefiting at 16 neighborhood and 228.627 people in the city. The new initiative, close to the Investment Plans, is looking for the social and territorial equilibrium in Madrid with a major level of decentralization.

Participation in the Plans tends to increase over time. Participation appears to rise because citizens and social actors realize that there is a connection between the time they dedicate to decision making process and changes in their quality of life. In this

sense, citizens and social actors participate in the plans because it becomes clear that the principal way to secure public works or changes in broader social policies is through participation and working with the local government to get common goals. Additionally, the plans provide resources for the neighbor organizations to create specific programs in the districts with the neighbors' participation that increase trust between the local government and civil society.

Finally, the Invest Plans represent the extension of citizenship rights and the strengthening of community ties in Madrid through the entrance of traditionally excluded groups and citizens into decision-making process. This is an important empowering process in which excluded citizens have the opportunity to make decisions that affect directly their lives and the lives of their neighbors. The Plans also provide an important opportunity for citizens to forge solidarity ties with the poorest districts in the city and allow looking for collective solutions on social and territorial imbalances.

## **6. Challenges**

Some of the main challenges of the participatory process in Madrid had to do with the social and economic environment and institutional capacity. The economic and financial crisis makes necessary to strengthen social measures in each plan and district, because it is possible that some bad indicators can affect the achievements obtained since 2003 such as unemployment rate. In this context, the local government needs to manage expectations by being transparent and open about what it can achieve. This is critical so that citizens do not become disillusioned with the process.

In the main, participatory process requires a vehicle or institutional arrangement to be effective. The local governments need to invest additional resources to develop the participatory process and needs to allocate a significant amount staff members time to implement each plan. With the Neighborhood Plans is necessary to invest extra time and resources to try all the available information. In this reality, the local government needs to increase institutional capacity to absorb and manage information. While on-going training local government staff has become an integral part of the participatory process, the local government staff can benefit from additional training and additional resources so these measures should be directed into agencies that are working directly with residents in the districts. This also means that the local government needs to be able to communicate effectively with citizens. However, such skills may not be easily available and training is also required in this regard.