

## November 2018 Monitoring Report

### Introduction

This monitoring report considers two very different but significant approaches to understanding the nature of local governance and community involvement. The first is the recently released cabinet paper on "Local Governance for Community Well-being" and the second is the November 2018 report of the UK-based network Civil Society Futures "Civil Society in England: its current state and future opportunity".

The cabinet paper argues for and the resulting minute confirms government's commitment to work in partnership with local government and sets out what is clearly the Minister's and perhaps more importantly the department's understanding of what constitutes local governance.

The Civil Society Futures report is focused on the future for civil society. Its starting point is the belief that "civil society has a vital role to play in helping to address the challenges that lie ahead. Re-energised, civil society could be at the heart of the changes we need in our society as whole: reviving our dented democracy, rebuilding our social fabric and enabling us to address the great challenges of climate change and environmental degradation."

This monitoring report looks at the underlying assumptions in the cabinet paper and the report respectively and what their different approaches imply for local governance. It then draws out implications for the role of local government in the promotion of community well-being, especially as this role appears to be currently understood by central government.

### The Cabinet Paper

The cabinet paper and the resultant minute are notable for the strength of their statements about the importance of the central government local government relationship. From the cabinet minute:

**noted** that the government is committed to taking a partnership approach to working with local government.

**noted** the range and scale of government programs that depend upon local government and that this provides an opportunity to work in partnership with local government to achieve the government's goal of intergenerational well-being and regional growth.

Much of the cabinet paper itself is focused on what are presented as communities' expectations of local government as can be seen from these two paragraphs extracted from the paper:

Communities are expecting more from local government. This includes in the areas of: environmental stewardship; regionally driven economic development; employment opportunities; tourism; strategic relationships and partnerships with Maori; moving to a zero-carbon economy (net emissions being reduced to zero); addressing homelessness, and young people not in employment, education or training.

and

There is a growing trend for communities to expect local government to find local solutions to the social issues causing distress in our communities.

This understanding is complemented by the paper's approach that local government and local governance are basically one and the same thing subject to the qualification that there are other local entities involved in service delivery which are also part of local governance from the paper's perspective - DHBs would be an example. There appears little or no recognition that local governance might include co-governance with the community, or other means of deep community engagement. The paper's discussion of localism illustrates this:

My consideration of the future role of local governance in New Zealand in improving intergenerational well-being of all New Zealanders is occurring against the backdrop of a reinvigorated advocacy led by Local Government New Zealand around 'localism'.

'Localism' is a concept underpinned by the principle that "public services should be provided by the sphere of government which is as close as possible to the people who use and benefit from the services, unless there are reasons why they should be provided by governments at a regional or national sphere".

This characterisation confuses subsidiarity and localism. Subsidiarity is the principal of taking decisions at the level closest to those affected by the decision. Localism is much more about the direct involvement of people themselves.

In 2017 the UK-based think tank, Locality, established the Commission for the Future of Localism under the chairmanship of Lord Bob Kerslake, a former Secretary to the Cabinet. The commission's final report says of localism:

Localism must be about giving voice, choice and control to communities who are seldom heard by our political and economic institutions. Localism should enable local solutions through partnership and collaboration around place, and provide the conditions for social action to thrive. Localism is about more than local governance structures or decentralising decision-making. It is about the connections and feelings of belonging that unite people within their communities. It is about how people perceive their own power and ability to make change in their local area alongside their neighbours.

The difference between subsidiarity and localism is palpable. Genuine subsidiarity can coexist with ongoing alienation and a sense of powerlessness on the part of individual communities - voice, power and decision-making can stop at the council leaving citizens feeling just as isolated from power over or any say about what happens in 'their place' as when central government has responsibility.

The cabinet paper represents a clear intent on the part of the Minister and the Department to shift away from immediate past practice to much more of a partnership approach to working with local government. However, it is also clear from the paper that the approach being put forward still sits within the old paradigm of government (in this case local) making decisions for rather than with communities, and not reflecting the major changes which have taken place in community governance and community engagement elsewhere in recent years.

### **The civil society report<sup>1</sup>**

The report takes a very inclusive approach to understanding what is meant by civil society "Civil society involves all of us. When we act not for profit nor because the law requires us to, but out of love or anger or creativity, or principle, we are civil society. When we bring together our friends or colleagues or neighbours to have fun or to defend our rights or to look after each other, we are civil society."

The focus of the report is on what authors see as the unique role of civil society in helping address issues of concern within communities, whatever their nature or origin:

Civil society, the state and the market all depend on each other, but it is often civil society that is closest to the issues on the ground. Yet, too often, we heard from people in civil society that decisions about them are made without them. That politics is something that is done to people and places, not by people in places. Where those in power fail to see issues – child sexual exploitation, the experience of the Windrush generation over the last couple of decades, the impact of Universal Credit on people and communities – those in civil society can alert us to the dangers ahead and to unforeseen outcomes. Civil society is the canary in the coal mine, the warning cry that shouts 'foul play' to power. Civil society itself has tremendous resource and power through its close knowledge of daily life. But, as members of civil society, we all need to develop practices of listening more acutely and working better with the knowledge that civil society embodies, to bring about transformational change.

The methodology for preparation of the report included an extensive literature review, a number of conferences and events, community workshops, extensive interviews and over 3000 submissions. From this came the following:

The civil society we found had a hunger for change, not only in society but in their own practices. This hunger was fed by a recognition that when people work together, seek mutual understanding and identify ways of dealing with the issues they face, then communities and lives can change for the better. When people come together in collective endeavours, power within civil society grows. We found a deep desire for involvement in decision-making, for co-production, co-creation and co-ownership as the only way to realise the changes people want to see in their own lives and in the world around them.

Rather than increased access to information online, people spoke of the urgent need for the deep involvement of ordinary people in decisions that

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<sup>1</sup> the report is available at: <https://civilsocietyfutures.org/>

affect their lives; the need for different voices to be heard, and different ideas about society and the values that underpin it to be contested and debated.

People consistently stated the importance of feeling represented and being able to participate in local decision making – both elements of civic engagement that they perceive as lacking. They want to be involved in the futures of the places in which they live. They don't see this as volunteering (the word rarely came up) but as a civic imperative as a member of their community.

### **Comparing the two**

The cabinet paper and the report reflect two glaringly different understandings of what constitutes local governance and the expectations on the part of communities about how their interests will be served.

The cabinet paper and the approach it outlines should be given credit for recognising the need for change, and for seeking to shift away from an approach to local governance in which virtually everything of significance is decided in Wellington. On the other hand, the comparison with the civil society futures report emphasises just how wide the gap is between official understandings in New Zealand of the nature of local governance and engagement, and the findings from much international research on what constitutes good engagement and, perhaps more to the point increasingly what people expect in terms of ability to shape decisions about the future of their place.

This last comment needs to be qualified by recognising the different circumstances between New Zealand and England especially because of the impact of recent phenomena such as austerity and the outcome of the Brexit referendum. Nonetheless, there is more than sufficient evidence emerging here to make it clear New Zealand's government and local government should at the very least be considering options for greater participation by people in decisions which affect their place, and understanding the different trade-offs and social and economic outcomes involved.

### **Implications**

The cabinet paper (and for that matter the associated caper paper dealing with the three waters) presents the local government sector with something of a dilemma. The approach being proposed could be welcomed in which case the nature of the central government local government relationship and how the two of them serve their communities would be very much one of fine tuning the status quo understanding of the roles of the two levels of government. Specifically it would risk entrenching the view that it is for governments to decide and communities to accept decisions about how best to design, target and deliver services, and improve the quality-of-life in the places in which people live.

The alternative is to work with central government (and organisations such as LGNZ), seeking to develop a shared understanding both of different options for community engagement/co-governance and how different approaches would best support the government's well-being

policy. This would include working to ensure, as best as possible, that central government and its advisors especially in the Department of Internal Affairs were familiar with recent research, policy and practice initiatives in areas such as well-being, community governance and community engagement particularly in the UK but in other relevant jurisdictions such as Canada and North America. Ideally this would be done in collaboration with peak organisations such as SOLGM and Local Government New Zealand (we understand that in practice LG NZ's understanding of localism may be shifting from seeing it as the equivalent of subsidiarity as suggested in the Minister's paper to more of an awareness of localism as highlighting improved community governance including co-governance, co-production and co-design).

Deciding which option to follow is complicated by the reality that New Zealand has relatively little research of the kind exemplified by the Civil Society Futures report providing understandings of how and when people might wish to be involved in decisions which affect them and where they live. It is for this reason the think tank has repeatedly emphasised the importance of drawing on international research and practice albeit with an awareness of the different circumstances in different jurisdictions.

The Local government think tank will be exploring options both with other networks (for example the forthcoming inclusive growth network) and with officials. In the meantime comments from think tank members would be very much welcomed.