

Summary of Cabinet Policy Committee Paper: Central Government Engagement in Community Outcomes Processes

Introduction

The Department of Internal Affairs recently prepared a paper for Government about the promotion of effective central government engagement with local government as part of local government's identification of community outcomes. The paper also described how central government agencies might use information from Community Outcomes Processes (COP), and the outcomes themselves, to improve policy development, programmes and delivery of services to achieve mutually desired outcomes. The paper is summarised below.

Central Government Engagement in Community Outcomes Processes

The paper is in two parts. The first part addresses improving how central and local government work together on COP. The second part recommends a work programme to address how central government can prepare to respond to community outcomes, manage associated risks, and, where appropriate, better align central and local government investments to contribute to the achievement of community outcomes.

Part 1. Improving the Effectiveness of Central Government Engagement in COP

The Local Government Act 2002 (LGA) encourages local authorities to work with their communities, and other parties, to help communities identify the social, economic, environmental and cultural outcomes they want for community well-being. The Community Outcomes Processes include:

- identifying interested parties (including central government);
- securing the agreement of interested parties, where practicable, to the process;
- gathering information (including information from, and about, central government); and
- identifying community outcomes.

Local authorities may also consult others, and where possible, reach agreement on monitoring and measuring progress toward achieving identified outcomes.

During 2004 most local authorities will design Community Outcomes Processes and invite central government, and other parties, to comment, provide information and participate in outcomes identification.

By mid-2005 all local authorities will need to start developing their Long Term Council Community Plans (LTCCPs). These are due by July 2006 and flow from the Community Outcomes Processes. A LTCCP sets out council activities, how they fit together, and shows how a local authority will contribute to furthering community outcomes, how it will work with others to further community outcomes and how it will monitor and measure progress towards achieving identified community outcomes. As part of developing LTCCPs, local authorities are likely to talk with interested parties about what they might do to help promote identified local outcomes.

The LGA does not require central government to participate in COP. It does not require central government to promote local outcomes. However government policy encourages central government to develop a partnership relationship with local government to achieve mutually desired outcomes.

Although collaboration between central and local government to address complex issues and achieve mutually agreed outcomes is already happening, specific problems need to be addressed to achieve effective central government and local government engagement around Community Outcomes Processes. These problems are:

- *lack of consistent information and communication*: local authorities have varying understandings of what information communities might need to identify outcomes, which central government agencies can supply some of that information, and who to contact to obtain it;
- *inadequate preparation for COP*: not all departments have procedures to respond to local authority invitations, provide relevant information, and, where appropriate, engage in COP; and
- *lack of qualified, mandated staff*: departments need to consider how to ensure their staff are well informed about the LGA and local government processes and what mandate their representatives will have to engage at local and regional levels.

If departments do not engage in COP there are risks that communities will have inadequate information to appropriately identify future well-being outcomes. Communities may develop unrealistic expectations about what government can and should do to help achieve identified outcomes. Community Outcome Processes provide opportunities for central government to collaborate and benefit from the process. These include:

- opportunities to communicate Government's goals and priorities;
- opportunities to provide information it may have about communities and their activities; and
- raise awareness of particular issues.

Improving the central/local government interface and central government's preparedness to participate in COP can be expected to contribute towards:

- progressing Government's aims and departmental outcomes through better information about what communities want and thinking about how departments might work with communities, local authorities and other departments;
- improved policy as a result of engagement that achieves a better understanding of local conditions and concerns;
- more efficient use of public resources through greater coordination, streamlined information flows, improved communication between departments, avoidance of duplication; and
- reduced compliance costs as a result of clustering of COP and central government engagement.

With these challenges and opportunities in mind, two groups of actions have been identified to improve the effectiveness of central government engagement in COP.

1. Improvements to the central/local government interface regarding COP

The following activities are proposed to improve the central/local government interface.

The Department of Internal Affairs will:

- continue to provide information to departments about the LGA;
- work with Local Government New Zealand (LGNZ) to establish a directory for local authorities/communities about central government information and contacts;
- provide a central contact point for local government to indicate problems or opportunities regarding central government engagement in COP;
- provide suggestions to departments regarding their COP engagement difficulties;
- receive and collate information from departments on their involvement in COP;
- establish mechanisms for departments to share good practice and overcome difficulties regarding COP; and
- convene an annual central/local government workshop to discuss COP and share lessons.

Other departments will ensure relevant departmental staff are informed about the LGA, provide information to DIA for the directory of central government information and contacts; and provide information to DIA on their involvement in COP and good practice examples.

2. *Regional-level participation of central government in COP*

In some areas it may be helpful for specific departments to take a lead role in coordinating participation of central government agencies in COP. Further work is required to consider how this might work, and to develop approaches that fit departmental capabilities and sectors. It will be important to take account of existing regional networks and existing information sharing arrangements in local areas. Engagement at the regional level will be evolutionary.

The Department of Internal Affairs may assist in establishing mechanisms for communications and information exchange among agencies regionally, and play a catalyst role as required to foster inter-departmental and local government interfacing and networking. Other departments may ensure their representatives have appropriate information, clear understanding and lines of communication with their head offices.

Government participation in COP may provide communities and local authorities with opportunities to discuss expectations directly and proposed changes to policies and services. Listening and discussing does not oblige central government to respond accordingly. However, such actions should help better inform communities and local authorities, and manage expectations about what government can and cannot do.

The Department of Internal Affairs is implementing a new branch structure to undertake the roles and actions set out above. Departments such as the Ministry of Social Development, Ministry for Economic Development, Ministry for the Environment and Department of Internal Affairs have been strengthening their regional presences. A recent capability snapshot survey by the Department of Internal Affairs indicates that several departments have undertaken preparations to engage in COP. Others have not done so and may need additional capability, though the extent of this is unable to be quantified. For most agencies the actions proposed regarding central government engagement in COP are expected to be able to be met from current staffing and resource levels.

The realisation of identified benefits of departmental engagement in COP – progressing outcomes, improved policy; improved efficiency and reduced costs - will form the basis of a monitoring and evaluation report. Development of the evaluation framework and the evaluation will be undertaken in consultation with central government agencies.

Part 2. Further Work Preparing for Central Government Follow-up to COP

After community outcomes have been identified, and local authorities begin forming their LTCCPs, central government agencies with regional interests are likely to consider how they might alter their activities, possibly in cooperation with other departments, to promote community outcomes that correspond with government goals and departmental priorities.

Further work is required to:

- assess what is required for departments to utilise and respond to community outcomes effectively;
- determine opportunities and risks associated with collaboration among departments about responses to outcomes; and
- consider how central government agencies with shared interests in certain community outcomes might better coordinate their activities to promote such outcomes.

A number of departments are well advanced in establishing regional capability for local/central government engagement. Some have regional partnership programmes and LGA related processes are seen as potentially improving alignment between these and other regional initiatives. Others are taking lead roles for joint strategy development to address sectoral issues in certain regions. The Department of Internal Affairs is developing the capability to take on a facilitation role where appropriate.

In some regions, for example Auckland and Wellington, regional processes are being designed that involve all councils in a region in collaborative efforts. This has implications for the ways departments might work together to better co-ordinate their various initiatives, particularly in Auckland and other 'metro regions'. Discussions have begun about how departments might achieve this.