Good practice advice for attributing community progress to council performance

Paul Killerby
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Introduction

The following is a brief list of recommendations for fulfilling the requirements and spirit of Schedule 10 s.15(c) of the Local Government Act (LGA) 2002. These ideas are based on discussions and correspondence between representatives of the Waikato Strategic Planners Network and Office of the Auditor-General in August/September 2006, personal observations of emerging good practice, and the following papers:
- Killerby, P. (2006) "Performance, progress and attribution stories: The roles of intervention logic and contribution analysis", unpublished paper, May 2006
- MARCO (2005) "Monitoring and reporting community outcomes: A resource kit for integrated monitoring and reporting", Choosing Futures Waikato, November 2005
- Office of the Auditor-General (2005) "Audit guidance: Non-financial performance reporting in LTCCPs", November 2005
- Office of the Auditor-General (2005) "Auditing the future: Project update #9", March 2006
- Ruffner, M. (2002) "Governing for results", paper presented to VII Congreso Internacional del CLAD sobre la Reforma del Estado y de la Administración Pública, Lisboa, Portugal, 8-11 October 2002. Web http://unpan1.un.org/intradoc/groups/public/documents/CLAD/clad0043704.pdf

The usual disclaimers apply.

Background

Every territorial authority in New Zealand is obliged under the LGA to tell its own agency performance story as well as the progress story of its local community. Auditor expectations are that councils will also describe and monitor the linkages between council performance and community progress (i.e. the attribution story).

S. 92 of the LGA requires councils to monitor and report on progress made by the community in achieving community outcomes. In a separate section relating to performance reporting requirements (Schedule 10 s.15), councils must report the results of any measurement undertaken during the year of progress towards the achievement of community outcomes which relate to each group of activities of the local authority.

In August 2006 the Waikato Strategic Planners Network (SPN), in response to a generally agreed need for clarification about Schedule 10 s.15, wrote to the Office of the Auditor (OAG) requesting an "official" interpretation. In particular there was a call for clarity over the underlying purpose of Schedule 10 s.15 and the minimum level of

comprehensiveness of reporting community outcomes progress through the council's annual report. Representatives of the OAG have stated verbally and through previous presentations that they prefer the local government sector itself to define good practice rather than stipulating a compliance standard.

The following is a brief list of recommendations by the author based on literature, observations and discussions. The purpose is to stimulate discussion and debate.

- Groups of activities should be defined in such as way that they make sense to community members. The purpose of the LGA is not to align council activities to community outcomes, or to the four well-beings, but rather to ensure councils' contributions to community well-being are articulated, considered and deliberated.

- Each council's Long Term Council Community Plan (LTCCP) must describe how it will contribute to furthering community outcomes. This means describing the logic flow between activities (or groups of activities) and community outcomes to which those activities primarily contribute. Councils have a taken a variety of approaches to this requirement.

- Under s.10 of the Act (purpose of local government) councils are obliged to promote social, economic, environmental, and cultural well-being. The "four well-beings" are a more generic framework than "community outcomes", but are nonetheless intended to encompass a holistic view of community well-being. To demonstrate compliance with s.10, councils should undertake a reconciliation of the Activities section of their LTCCP to ensure they have either described a contribution to every community outcome or identified gaps where they are not currently contributing. Contributions will range from service provision to regulation, funding, partnering, advocacy and/or facilitation, but every community outcome should have at least one group of activities associated with it.

- Councils should get their community outcomes monitoring programme in place as soon as possible in order to tell the "attribution story" for each group of activities through their annual reports. Without a progress story the attribution story can not be robustly told for the 2006/07 year.

- Councils should take a comprehensive approach to community outcomes monitoring, and a strategic approach to reporting. This means collecting a lot of data and robustly and concisely interpreting it into meaningful information. Every community outcome should be associated with a range of indicators and measures in order to tell a context-rich progress story. However the story itself should be pithy.

- The community progress story should identify priorities in terms of what communities want (community outcomes) and what they need to achieve sustainable well-being (as evidenced through community outcomes monitoring).

- Text from a separately branded "community outcomes" progress report (or summary report) should be consistent with summary text reported through the council's annual report as part of its attribution story.

- Attributions stories for each group of activities should contain a mix of qualitative and quantitative elements and be based on the OAG logic flow hierarchy (note: "attribute" is used below as a noun, in the sense of a characteristic ascribed to something):

Well-being – vires text

Community outcomes – strategic choices and trade-offs

Rationale for activities – how the activity contributes to well-being/outcomes

Service levels – attributes the service influences/provides

Measures – how the impact on attributes will be assessed

Targets – the level of performance sought

- There is substantial literature around service levels, performance measures and targets, but in brief there are several overlapping frameworks which should be considered for service levels for all activities:
  - Customer (community-oriented) and Technical (staff-oriented) levels of service
  - Quantity, Quality, Timing and Location levels of services (for example New Plymouth District Council's LTCCP)
  - Statutory Limits, Safety, Responsiveness, Cost, Asset Performance, Reliability, Efficiency, Environmental Protection and Customer Satisfaction measures (NAMS and OAG recommendations)

- A final word… Ensure that the process of strategic planning enhances strategic thinking rather than stifling it. Ruffner (2002, p 4) argues it is important to avoid negating the purpose of results-based reform, "which is to refocus efforts on what citizens and society ultimately gain from government. Without a focus of at least some form on outcomes, one too easily can lose sight of the bigger picture, which is what the programme is supposed to be about". Further advice from the OAG as we look towards the 2009 LTCCP process is around "having the right debate", which means identifying community priorities (not just community outcomes) and assessing whether the council is working most effectively, on its own and in partnership with other agencies, towards achieving those priorities.