



**A Framework
for Developing
Sustainable Communities**

Discussion paper

November 2002

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Acknowledgements

This framework on building strong, sustainable communities has been developed in discussion with officials of the Department of Internal Affairs (Community Development Group Policy Team), Ministry of Social Development (Community Policy Unit), Child Youth and Family, and the Community Employment Group. It is based on the experiences of New Zealand communities and community workers, as well as published research. It has been the subject of consultation and comment from a range of government agencies.

For further information contact:

terrence.loomis@dia.govt.nz

or

information@msd.govt.nz

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1. Introduction

A modern cohesive society is one of the cornerstones of an inclusive, innovative New Zealand. To create a more cohesive society, we need strong communities and iwi/hapū with the social and economic infrastructure to enable people to develop their own capabilities, to overcome disadvantage, to cope with change and to grasp opportunities to advance themselves and society.

This paper examines the role of strong, vibrant communities and iwi/hapū in achieving government's social and economic development goals. The first part of the paper outlines a conceptual framework for better understanding the way in which strong communities contribute to the overall wellbeing of citizens. The second part proposes a framework for government investment in sustainable community development, and examines issues that need to be addressed in developing a collaborative investment strategy for working with communities.

1.1 Government's interest in promoting social cohesion and wellbeing

Government's fundamental role is to achieve social and economic development while ensuring a protected environment and institutional stability. This provides a context in which people can prosper, improve levels of productive employment, reduce social problems and enjoy the natural environment.

Governments can help individuals, families and whānau be more self-reliant and promote greater community and iwi/Māori self-determination as a means to economic and social development. Government can also help people and communities break cycles of disadvantage, and overcome impediments to achieving their own outcomes.

Government influences the individual investment choices and development of communities through its policies, legislation, fiscal measures and programmes. In doing this, government must consider how the outcomes it identifies as generally beneficial correspond with the outcomes desired by particular communities and individuals. It has to monitor the potential negative effects of its own policies, and be aware of how these and other interventions impact on activities outside the political sphere.

It is important, therefore, to understand the linkages between individual and family wellbeing and community wellbeing, and to develop criteria for judging when and how government should intervene to help people maximise opportunities in striving to achieve wellbeing.

1.2 Achieving wellbeing

Wellbeing refers to secure livelihood, health, safety, happiness, and fulfilment. The way wellbeing is defined depends on factors such as personal values, culture, societal norms and worldview.¹

Wellbeing has many dimensions – physical, psychological, social and spiritual. Contributing to these positive states of being are certain "valued functionings"² such as being adequately housed and

¹ Cf. Department of Labour (1999), *Human Capability*. Wellington.

² Amartya Sen, 1999. *Development as Freedom*. New York: Alfred Knopf.

nourished, having rewarding employment, a healthy existence, participation in community, and a sense of self-respect.

Our ability as individuals and societies to attain wellbeing depends on (a) the resources or wealth we have available to us, and (b) our abilities to access and use these resources. Access depends on the degree of equity and inclusion in a society, maintained through laws, shared norms and open institutions. Such resources are typically identified as:

- Economic (money, buildings, machinery, electricity lines, highways)
- Social (networks, organisations, mutual assistance, political freedoms, security)
- Cultural (shared values, norms, heritage)
- Human (skills, knowledge, information, creativity)
- Natural (natural resources, a healthy environment)

All of these resources or assets can be thought of as “capabilities” that we bring to bear in the pursuit of wealth, happiness and fulfilment.

Wellbeing, whether it is sought through work, leisure, family life or volunteering is almost always attained in the context of society.³ Successful social interactions are fundamental to individuals and groups being able to exercise initiative, to achieve, to make a contribution to humankind and be rewarded for their efforts. The secure existence of individuals, communities and society generally depends on peace, a sustainable economy, and a healthy ecosystem. That is another way of saying that individual, family, community and environmental wellbeing are inextricably interlinked. People’s choices and actions influence the wellbeing of others, and collectively they shape the overall trajectory of a society’s development.

1.3 Communities and wellbeing

In general terms a community may be thought of as a network of people and organisations linked together by various factors. The term ‘community’ can refer to:

- a *geographic community* (e.g. a neighbourhood, city, rural town or district)
- a *community of common interest, identity or whakapapa* (e.g. a hapū, an ethnic group, voluntary organisation, or virtual on-line community), or
- an *administrative/political community* (e.g. a state, federation).⁴

³ Solitary meditation and individual recreational pursuits are among the few exceptions.

⁴ See the Report of the Royal Commission on Social Policy, 1988. Also OECD, 1998. “Integrating Distressed Urban Areas.” Paris, OECD, Pp 25-26.

Communities are more than just interpersonal networks. They take on routine social patterns, roles, functions and organisational structure. Communities come into existence and assume their particular form through the interactions among their populations and organisations as well as with their surrounding environment (political, economic and natural). They continue to exist because they meet the needs of individuals and families. They grow because they provide new opportunities or adapt to new needs and purposes that cannot be effectively met by individuals or central government.

Strong communities provide the essential social infrastructure necessary for individuals and families to attain wellbeing. Personal networks, employment, social services, local government, community events, recreational pursuits, and voluntary organisations all provide individuals and families with opportunities to generate wealth, find security, meet their needs and be involved.

A community is as strong as the individuals, relationships and institutions that comprise it. Institutions mediate individual decisions and actions, and convey capabilities to individuals. For example, the market regulates and facilitates exchanges between individuals. Education institutions assist individuals to build up their knowledge and skills. Apart from national institutions like central government, communities are the 'place' where institutions have the most practical effect on people's lives. They are the point in everyday life where the public sector, private sector and the voluntary sector meet and interact.

Usually communities are composed of diverse groups and competing interests, but sometimes they are fairly homogenous. Invariably there are differences in power and wealth. Sometimes communities manage to organise themselves around shared goals toward which they are willing to act together as a cohesive group. At other times, they may be fragmented and disorganised. Communities that work well in addressing individual needs and grasping opportunities are essential for economic development and social development, democratic participation and environmental preservation.

1.4 Community development

Communities and *iwi/hapū* are drawn together around common histories and interests, and the wish to improve circumstances so that their members have a chance for a better life. To attain that better life, they or their representative bodies also have to maintain their resources, promote development, enhance community capabilities, and make complex choices. The process of enabling diverse groups to share concerns, plan for the future, capitalise on opportunities and strive toward wellbeing is called community development. *Development* is defined as any process that enhances the wellbeing of individuals, families, communities and their environment.

Community development practitioners engage with diverse groups across whole communities to address complex issues and assist them to pursue their own development. To achieve the best results it requires the involvement of the most successful in the community as well as the most disadvantaged, so that the solutions are appropriate and benefits are shared.

Because development is accomplished by people themselves, community development begins with a presumption of a bottom-up rather than top-down approach. Local solutions generated by self-reliant communities are very often more effective and enduring than externally imposed solutions – if only

because they are more likely to be understood and 'owned' by those most dependent on the outcome of such decisions. Effective participation provides stakeholders with a chance to influence the process of development and share in the decisions about how resources will be allocated to achieve agreed ends. Strong communities have the ability to manage their own affairs and take control of their own destinies, and to contribute effectively in working with other communities where there is a wider shared interest.

1.5 Sustainable development

Sustainable development is often identified with environmental protection or preservation of natural resources. It is much more than that. Sustainable development is a balanced, inclusive approach that seeks to meet the needs of the present generation without compromising the ability of future generations to meet their own needs⁵. Technically, ecological economists define sustainable development as choices and actions regarding all kinds of "stocks" and resources that attain non-declining welfare [wellbeing] over time.⁶

Sustainable development integrates the aims of *social development* and *economic development*. There is a similarity between this integrated perspective and the way many indigenous peoples understand life processes and wellbeing. They speak of the unity of all things, of the need for harmony and balance, and of their notion of development being holistic.

1.6 Investing in sustainable community development

Recently, government's role in strengthening and developing communities and iwi/hapū has been moving from an emphasis on direct provision of services to one in which there is an increasing focus on partnership and building capabilities for self-determined development. This reflects the wishes of communities, and builds on local community knowledge and initiative.

Government has an extensive array of tools and resources available for its work with community groups, local authorities and hapū/iwi. A whole of government approach to working with and investing in developing communities requires a clear understanding of where best to target this collaborative effort and investment.

The following discussion is intended to provide a framework to assist in the process of developing partnerships and making effective economic and social investment decisions.

⁵ CAB (00) M 17/1D(1) refers; also The Bruntland Commission, 1987.

⁶ Amartya Sen and Sudhir Anand 1996. "Sustainable Human Development: Concepts and Priorities." UNDP Office of Development Studies, Discussion Paper Series. New York. P. 16.

2. Developing Communities: A Capability / Investment Perspective

2.1 Why a policy framework?

Policy frameworks are useful for establishing an overall perspective on complex policy issues, and helping determine the appropriate course of action to take. They are useful for providing a common basis upon which policy makers can identify shared aims and priorities. Frameworks can also be useful for getting new ideas out in the public domain for discussion.

This framework on building strong, sustainable communities has been developed in discussion with officials of the Department of Internal Affairs (Community Development Group Policy Team), Ministry of Social Development (Community Policy Unit), Child Youth and Family, and the Community Employment Group. It is based on the experiences of New Zealand communities and community workers, as well as published research. It has been the subject of consultation and comment from a range of government agencies.

There is increasing interest on the part of government in engaging with communities in a more coordinated way to meet local needs, address intractable problems, build capacity and support local development efforts. This framework provides the basis for a shared, cross-sector strategy and tools for co-ordinating government's investment in building sustainable communities.

2.2 Achieving wellbeing requires investment

Wellbeing is a function of the capabilities people possess or acquire to make informed choices and act – within given social, economic and environmental constraints – in living the life they choose. When we speak of the *capabilities* individuals possess or develop, we mean an encompassing concept that includes the various *capacities* (resources and abilities) as well the *opportunity* to achieve one's aims. Opportunities include not only emerging options, but what Sen⁷ calls instrumental freedoms (e.g. political rights).

The attainment of a particular level of wellbeing is the outcome of a personal and family *investment* process over time. Investment in this sense is about making choices that match one's capabilities with available opportunities, and then acting. Of course, there are intervening factors and processes that can influence the acquisition of capacities, identification of opportunities and making of investment choices. Individual attributes, family influences, social environment and institutional policies can all affect the capacities a person is or is not able to acquire.

Capacities must be developed, used, protected and maintained. Even the simplest decisions require weighing up of alternatives, judging the costs and benefits, and making trade-offs. Some approaches to investment are clearly productive, rewarding and sustainable, but many are not.

⁷ Sen 1999. And Sen, Amartya 1985. Commodities and Capabilities. Professor Dr P Hennisman Lectures in Economics, North-Holland, Amsterdam, New York and Oxford.

2.3 Community capability, sustainable development and wellbeing

Individuals and families cannot meet all their needs and achieve the level of wellbeing they strive for on their own. Their acquisition of capacities, identification of opportunities and investment choices depend on wider society, institutions and local communities. Without these, they are increasingly dependent on the state to intervene and assist them. The 1988 Royal Commission on Social Policy observed that development and the attainment of wellbeing involve all aspects of family and community life including economic, cultural and environmental processes. An integrated, sustainable development perspective is implicit in a broad understanding of social and economic development, and community development.

Some government policies and initiatives have focussed exclusively on individuals and families, and have tended to overlook the important role that local institutions and communities have in people's lives. Local communities with capable leadership, extensive community networks and open institutions providing opportunities for participation can overcome disadvantage and social exclusion. Community groups, because of their local knowledge and relationships, can be particularly effective in contributing to the resolution of problems impacting on individual and family capabilities.

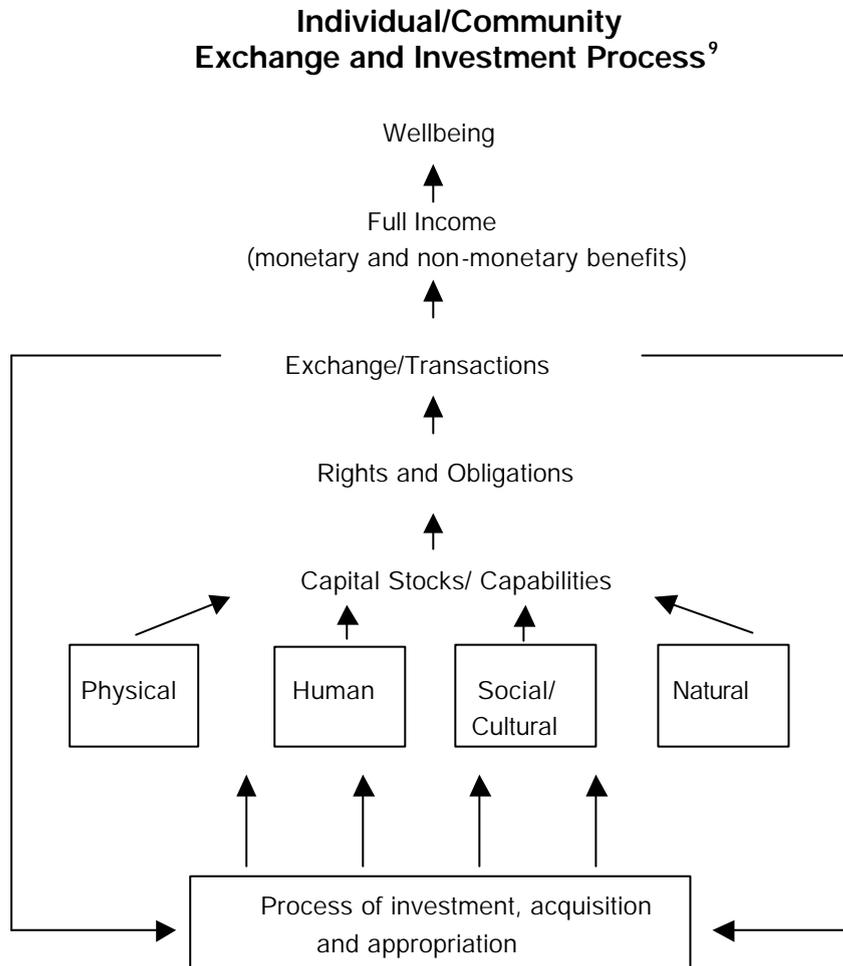
Communities grow and become strong basically through the same investment process as individuals and families. Collectively and within their constituent sectors, they inherit resources and acquire capabilities, identify and make choices about opportunities, and cope with a host of internal and external factors. Sometimes the investment process is more formal and organised, and sometimes it is less formal. Such a process hopefully results in positive outcomes, but sometimes it has unforeseen negative consequences. That is the difference between sustainable and unsustainable development. Capital Theory, an analytic framework for thinking about sustainable development, can help clarify why this is so (see Figure 1 on the next page).

As with individuals, the resources and capacities communities have or may acquire can also be understood as *capabilities*. So we can speak of *community or iwi/hapū capability* just as we can of individual capability. Communities can acquire various combinations of these capabilities in the pursuit of development and general wellbeing.

According to Capital Theory, communities like individuals invest in building up and using their various capacities or *capital* to create 'income' (i.e. all types of benefits and rewards both tangible and intangible) to attain the level of wellbeing they aspire to, within the constraints indicated previously.⁸

⁸ George Barker, 1997. "Social Capital and Policy Development," In Robinson, David (ed), *Social Capital and Policy Development*. Institute of Policy Studies, Victoria University of Wellington, Wellington. Pp138 ff.; Barker, 2000. *Cultural Capital and Policy*. Centre for Law and Economics, Australian National University, Wellington. Daly, Herman 1996. *Beyond Growth: The Economics of Sustainable Development*. Boston, Beacon Press. Also Robert Costanza and Herman Daly 1992. "Natural Capital and Sustainable Capital." *Conservation Biology* 6: 37-46.

Figure 1



⁹ Model based on Ismail Serageldin, 1996. "Sustainable Development: From Theory to Practice," Finance & Development Vol. 33, No. 4, December, p. 3ff. Also George Barker, 1997, 2000 (see below).

Resources or assets are defined as physical, human, natural and social/cultural capital. In sustainable development these different types of capital are assumed to be interdependent.¹⁰ This is of critical importance. For a flow of income (benefits) from investment choices to be sustainable, the total stock of capital needs to be constant or increase over time.

Choice-making regarding sustainability lies along a continuum depending on a community's or individual's guiding values, from strong to weak sustainability. Strong sustainability maintains that various kinds of capital cannot simply be substituted for one another without doing permanent damage to the natural environment, culture or social institutions. A family has to balance expenditure on housing and leisure with education, upskilling and retirement saving. A community cannot trade off accelerated economic development for local environmental destruction or increased social problems and still call their development sustainable. A hapū cannot invest in improving rangatahi education outcomes and language recovery at the expense of family health or economic development and still call their development holistic.

Balanced investment and sustainable development therefore involve measuring and valuing these various resources and assets, and making trade-off decisions about consumption in a way that does not permanently deplete any particular stock of capital now and for future generations.¹¹ The weak sustainability end of the continuum maintains that it is possible to run down or substitute some stocks for others, as long as the overall sustainable balance of stocks is maintained in the long-run.

As we have seen, communities, organisations and iwi/hapū follow a broadly similar investment process to individuals and households in the pursuit of their collective development and wellbeing. They may attempt to do so in a sustainable or balanced way. That is, they can involve their members in making trade-off decisions about investing their various capacities and assets in a way that returns the greatest benefits to present and future generations without permanently depleting any one of their stocks. This complex process is also referred to as sustainable, holistic or inclusive development.¹²

As with individuals, community and iwi/hapū investment activity can also be hindered by internal factors and external circumstances. For example Dalziel & Fox applied a household investment model to the historical experiences of Māori to demonstrate the cumulative effects of land confiscations, lower human capital and structural disadvantages.¹³ Addressing these factors and influences is one important role of institutions and government.

¹⁰ Solow's 'constant capital rule' assumes interdependency among different kinds of capital, affecting for example substitution between a non-renewable resource and a stock of manufactured capital. Any notion of development or individual investment in pursuit of wellbeing that assumes consumption is not declining depends on maintaining the stock of capital.

¹¹ Cf Loomis, Terrence 2000a. "Indigenous Populations and Sustainable Development: Building on Indigenous Approaches to Holistic, Self-determined Development". *World Development* Vol. 28 (5): 893-910. Also Ismail Serageldin, 1996.

¹² E.g. The Treasury, 2001. *Towards and Inclusive Economy*. July, Wellington.

¹³ Dalziel, Paul & Edward Fox 1996. "Ethnic Disparities in Economic Attainment: A Survey of Economics Literature," Report for the Social Policy Branch, Te Puni Kōkiri, Wellington.

2.4 The impact of institutions on social cohesion and wellbeing

Social institutions influence the level and distribution of wellbeing in society in at least three important ways. First, they can influence the decisions people make individually and collectively about how to structure their economic and social exchanges. Secondly, institutions provide an organised framework for exercising human capabilities, as well as maintaining rights and entitlements. And thirdly, different kinds of institutions have emerged to facilitate acquisition of various capabilities by individuals, families and communities.

Economic exchanges are those mediated by money or some equivalent medium of value. Economic institutions emerge from transactions involving goods and services, such as markets and firms. When such institutions function adequately there is said to be *economic stability*. Social exchanges occur through non-monetary media.¹⁴ The institutions emerging from such exchanges are referred to as political and social institutions, for example government and families.

Social connectedness is a way of describing social exchanges through the relationships people have with others, and the benefits those relationships bring to the individual, as well as to society. People who feel socially connected contribute towards building communities and society. Well-developed communities that offer citizens access to opportunities, resources and networks are an essential part of a progressive economy.

When social institutions function effectively facilitating social exchange, and hence, social connectedness, there is said to be *social cohesion*. Social cohesion is not about everyone agreeing or doing things the same way. Social cohesion occurs when the functioning of institutions, lines of communication, personal networks and inter-group relationships allow society to continue to function in spite of differing views and interests. Differences get resolved, and things get done.

When institutions fail to function as they were intended, lose their relevance or begin excluding people (intentionally or inadvertently), they prevent some individuals, groups and communities from attaining or fully exercising their capabilities. Failure of government democratic institutions leads to injustice and disenfranchisement. Failure of markets leads to joblessness, economic deprivation, inadequate housing, and over-exploitation of resources. Failure of community organisations and local governance institutions leads to fragmentation and isolation of disadvantaged groups.

Institutions are not always neutral in the perspectives they adopt or the way they exercise their authority. The activities of society's dominant institutions impact on individuals and communities, posing differing degrees of threat, risk or opportunity. Sometimes institutions function in ways that are contrary to the public good, or their activities may have unintended consequences (e.g. pollution, poverty or poor health).

Government has a responsibility as a guardian of the public good to act in such circumstances. Sometimes individuals, groups and communities may need to confront such problems by themselves, and they may not have all the resources they need to do so. Lasting solutions at the community level require recognition by all stakeholders of how their interests are affected by such problems, a commitment to identifying the root causes, and a willingness to find answers that will meet the concerns of all involved.

¹⁴ George Barker, 1997.

2.5 What is a strong community?

Strong communities are by definition more effective in meeting their own needs and finding enduring solutions to problems. They are able to mobilise the commitment of their members and resources to achieve common goals and solve problems.

In general strong communities are those that:

- give people a sense of belonging through shared values
- are adaptable and able to respond to adversity
- have capable, enterprising leadership
- promote social trust, participation and mutual responsibility
- generate resources from inside and outside the community
- foster a stable, innovative local/regional economy that provides employment opportunities and generates wealth, and
- protect and effectively manage their local environment.

Such communities are able to identify or attract the relevant resources and capacities they require to meet most local needs, play a major role in protecting their environment, respond creatively to changing circumstances, and manage their own development.

2.6 Building strong, sustainable communities

But what exactly is being strengthened or invested in when we speak of ‘strengthening communities’? The question is crucial if we are to measure the effectiveness of government interventions in achieving desired outcomes for a given community.

Recent local community initiatives and research¹⁵ have explored the essential components that make for strong, sustainable communities particularly as we shift from a deficit to a capability (asset-based) approach to community development.¹⁶

We have noted that the main kinds of community capacities and resources are economic (or financial), human, social, cultural, and natural “capital”. Unfortunately, there is still a lot of imprecise thinking about how these are defined. Social assets (recognised roles, community organisations, institutional practices and social interactions/patterns) get confused with cultural norms (reciprocity, support, acceptance of diversity), human capabilities (leadership skills and knowledge), emotional states (confidence, sense of self-worth, trust), and outcomes (social cohesion).¹⁷ Economic development and the natural environment are sometimes ignored when speaking of community development.

¹⁵ Marie France, 1999. “What is Community Development?” Occasional Paper 1999/7, Labour Market Policy Group, Department of Labour, Wellington.

¹⁶ Cf. John Kretzman and John McKnight, 1993. *Building Communities from the Inside Out: A Path Toward Finding and Mobilising a Community’s Assets*. Chicago, ACTA Publications.

¹⁷ E.g. see Paul Bullen and Jenny Onyx, 1998. “Measuring Social Capital in Five Communities in NSW: Overview of a Study,” www.mapl.com.au

The resources and capabilities that individuals build up through social interaction can be understood as 'human' capital. 'Cultural' capital has to do with world views, values, norms, principles, knowledge of one's heritage, and customary practices that influence the choices and aspirations of individuals and communities. Community support for the values such as trust, cooperation, individual sense of duty and responsibility, and mutual assistance are examples of cultural capital.

The resources and capabilities that communities accumulate through personal and group interactions are often referred to as 'social' capital. Social capital is an intangible form of capital that emerges from relationship-building. Investments by individuals in relationship-building, or widening and deepening existing relationships, can strengthen markets, firms, families and communities. Relationship-building and the development of relationship skills throughout a community can create trust and reciprocity that can facilitate exchange between individuals and groups.

The link between strong social/cultural capital and economic development is now widely acknowledged. The OECD¹⁸ has noted that while social as well as economic objectives have been a central part of development programmes for some time, what is new is that institutions, networks and mutual support are now understood as essential to successful economic development. It is now generally recognised that most economic behaviour is embedded in social relationships,¹⁹ and that a country's economic development is integrally related to its social organisation. For example, Putnam's analysis of regional governments in Italy found that the "social capital" embodied in norms and networks of civic engagement was a determining factor in economic development and good government.²⁰

Research suggests that the complex of capacities particularly around community leadership, appropriate governance, high levels of participation and mutual support, and a shared sense of identity and values are the key factor in sustainable, self-determined development.²¹

2.7 Social Capital: an essential component for sustainable community development

The components of social capital deserve more detailed consideration, since social capital is such an important aspect of community development practice and sustainable development. Social capital is the outcome of an effective social infrastructure linking people and groups horizontally and vertically, enabling people's needs to be met through diverse development initiatives. At the community level, social capital is the product of the effective operation of institutions, networks and interactions that facilitate co-operation

¹⁸ OECD 1998. Also OECD, 1999. *Local Development Policy Experiences in OECD Countries: Good practices and transferability in less developed regions*. Paris, OECD.

¹⁹ M.S. Granovetter, 1985. "Economic Action, Social Structure and Embeddedness," *American Journal of Sociology*, 91: 481 ff.

²⁰ Eg. Robert Putnam, 1993. *Making Democracy Work: Traditions in Modern Italy*. Princeton, Princeton University Press. And Putnam, 2000. *Bowling Alone: The Collapse and Revival of American Community*. New York, Simon & Schuster.

²¹ Putnam, 1993; 1995 *Bowling Alone*. S Cornell and J Kalt, 1992, *What Can Tribes Do? Strategies and Institutions in American Indian Economic Development*, American Indian Studies Center, UCLA. T Loomis, 1999, "The Political Economic of Indigenous Peoples and Development," Working Paper 4/99, School of Māori & Pacific Development, University of Waikato. S Cassell, 2001. "Community Capacity Building and Social Policy – What Can Be Achieved?" *Social Policy Journal of New Zealand*, Issue 17, December.

for mutual benefit.

Some aspects of social capital are particularly important for encouraging innovation, promoting economic development and maintaining resilient communities. The notion of *entrepreneurial social infrastructure* can help us understand why certain patterns of interacting and collectively approaching problems contributes to a locality's ability to respond to challenges in a rapidly changing context. Research has indicated that economic development in rural America is highly related to a community's capacity to consider alternatives, form internal and external networks, and mobilise local resources.²² Such capacities also relate to a community's ability to nurture and encourage expressive creativity and innovation among its citizens.

Similarly, communities have to be able to function across different competing interests and levels of power in order to grow and develop.²³ Both *bonding* (within group) and *bridging* (inter-group) networks and relationships are needed for societies to be productive and provide for the general wellbeing. Cross-cutting ties between groups open up economic opportunities to less powerful or excluded groups, and build social cohesion. Such bonding and bridging capital is what makes for cohesive, innovative (entrepreneurial) and resilient communities able to cope with change and impacts.

On the other hand, some configurations of social capital can produce negative rather than positive outcomes. Communities, organisations or tribes characterised primarily by bonding (in-group) social capital can be isolated, fragmented and dysfunctional. Such situations require carefully chosen kinds of intervention to resolve.

Figure 4 suggests some of the key components of social capital that have been identified through recent research and community experience:

²² Cornelia Flora et al., 2001. "Farm-Community Entrepreneurial Partnerships in the Midwest". In Cornelia Flora (ed.), *Interactions Between Agroecosystems and Rural Communities*. Ames, Ia. CRC Press.

²³ Deepa Narayan, 1999, "Bonds and Bridges: Social Capital and Poverty". Washington, DC. World Bank.

Figure 4

Social Capital Components of Strong Communities include:

- *Personal networks* for bonding, bridging and reciprocity.
- *Governance structures* – culturally appropriate, legitimate, and accountable arrangements for the exercise of authority on behalf of the governed.
- *Stakeholder relationships* – channels of dialogue, recognition of common interests, functional inter-group relations, partnerships.
- *Agents of facilitation and development* – catalysts who are skilled, respected, well-networked, entrepreneurial; play a key role in advising, mentoring and assisting groups and organisations.
- *Relevant information* – research identifying and analysing community/regional assets, needs and opportunities, external impacts and trends; technology.
- *Communication & opportunities for participation* – access to information to facilitate public awareness, exchange of views, tolerance; mobilisation and volunteering.
- *Community planning* – inclusive processes of visioning, strategic planning and decision-making.
- *Capable organisations and institutions* – good governance, capable personnel, effective operational systems and procedures; transparent, client-oriented and open membership.
- *Development implementation* – good management, appropriate policies, partnership building, strategic co-ordination and investment, effective monitoring and evaluation.

3. A Government Strategy for Building Strong, Sustainable Communities

Government is interested in strong, sustainable communities because they can be particularly effective in helping achieve government's national objectives. Research and evaluation suggests they have certain competitive advantages in this regard:

- creative, forward-looking communities are an important building block for an innovative economy
- communities with high social capital facilitate individual & family/whanau well-being
- cohesive communities are more likely to find effective solutions to local problems
- self-determining communities with capable leadership pursue development appropriate to their own values and aspirations
- informed, responsible communities tend to look for practical ways of achieving sustainable development
- inclusive, involved communities are more resilient in the face of adversity & external shocks.

However, helping communities to become stronger and to achieve sustainable development may not immediately solve local problems or result in direct tangible benefits to people. Research suggests²⁴ there is usually a more indirect relationship. Community development initiatives for instance often promote social connectedness and interpersonal trust, which in turn effect improvements in health and wellbeing. There is also a link between (a) civic participation, interpersonal trust and trust in public institutions; and (b) levels of connectedness inside and outside communities employment opportunities and economic growth.²⁵

3.1 Context for government intervention in strengthening communities

A number of factors and trends are currently impacting on New Zealand communities in ways that suggest investment by government is required to ensure that they can draw on all available resources to address needs and build a sustainable future. For instance:

- globalisation of flows of economic capital, resources and information has created forces that often bypass the state and affect the wellbeing of people, both positively and negatively, even in the most remote areas
- communities, indigenous peoples and ethnic minorities are expecting greater access to resources and decision-making
- Treaty of Waitangi settlements within New Zealand, along with the international recognition of the rights of indigenous peoples
- recognition that government is not able to accomplish socially desired levels of wellbeing on its own
- the need for governments to consider the requirements of new potential

²⁴ Sally Casswell, 2001. "Community Capacity Building and Social Policy – What Can be Achieved?" *Social Policy Journal of New Zealand*, Issue 17, December.

²⁵ Cornelia Flora et al., 2001. "Farm-Community Entrepreneurial Partnerships in the Midwest," in Cornelia Flora (ed.), *Interactions Between Agroecosystems and Rural Communities*. CRC Press, Ames IA.

partners, both global and local

- the views of the people engaged in the community and voluntary sector that they have tended to be overlooked in policy development and service planning
- interrelated problems in health, housing, education, employment, economic development and environmental protection will increasingly demand *local solutions to local problems*, where communities have the knowledge and incentives to devise appropriate and lasting solutions
- individuals, families and communities are increasingly demonstrating their wish to do more for themselves.

These trends underscore the need for government to help communities, voluntary organisations and whānau/hapū/iwi tackle issues that reflect a changing world environment, and go beyond the boundaries of any one community or interest group.

By investing in social development, government not only provides support to individuals and families through direct delivery of services, but also invests in enhancing community-based assets, capabilities and decision-making processes.

Experience suggests there are at least four kinds of intervention strategies which government can employ to influence the investment and development process of communities and hapū/iwi:²⁶

- *addressing specific barriers and indicators of disadvantage and exclusion*: helping overcome the intervening factors and processes (internal and external) affecting investment choices and capabilities of individuals, families, groups and communities
- *providing assistance and resourcing* providing advice, facilitation, information, social services and funding to enable communities to meet needs, address problems and undertake development
- *strengthening capacity building*: strengthening the leadership, organisational capabilities, decision-making and assets (capital stocks) of communities and iwi/hapū, and
- *influencing the wider political, economic and social environment in which institutions and communities operate* : monitoring and regulating the activities of institutions, national policies and legislation, and international conventions and agreements.

A number of government departments have used some or all of these interventions, engaging with communities and employing the tools and resources they consider to be appropriate to achieving particular outcomes. This has sometimes resulted in overlap, duplication and inefficiencies in use of public resources. From the community perspective, this has led to lack of co-ordination, increased competition among community-based service providers, and inadequate solutions to local problems.

²⁶ For further discussion of the conceptual basis for such interventions, see Sen, 1999.

3.2 Government's evolving approach to building strong communities

Under the previous term of government, Ministers adopted a Strengthening Communities strategy, predominantly to guide the work of the four agencies which contributed to the work of the Community and Voluntary Sector portfolio²⁷. For this strategy to have a wider application, there is a need for a clearer articulation of its principles and for a more broadly coordinated approach across central and local government, communities and the community and voluntary sector.

More recently, there has been a policy shift towards a capability approach that emphasises building community and hapū/iwi capacity for self-determined development. This approach is characterised by:

- seeking community owned solutions and community driven development
- facilitation of development, and effective capacity building
- a diversity of responses and models rather than "one size fits all"
- collaboration and partnership
- a shift from separate silos to a whole of government approach, and
- achieving mutually agreed outcomes with communities.

Cumulatively these changes are contributing towards a collaborative development and investment approach to building sustainable communities.

3.3 Need for a strategy to guide government's engagement with communities

In 2000 Cabinet adopted a broad strategy for 'building strong communities'²⁸. This strategy was based on:

- bringing a community perspective to policy
- encouraging co-operation and partnership between government, local government, business and the community and voluntary sector
- encouraging citizenship and participation
- improving resourcing for community-based activities, and
- encouraging community leadership.

Community driven development was endorsed in the initial strategy as a marker that government agencies should strive to achieve a capacity building and bottom-up approach in their engagement with communities, iwi/hapū and Maori organisations.²⁹ Community driven development emphasises greater responsibility for identifying needs and solutions, control of decisions and utilisation of resources to communities themselves.

In the context of this strategy government established a new Community and Voluntary Sector portfolio,

²⁷ Ministry of Social Development (Community Policy unit), Department of Internal Affairs (Community Development Group), Department of Labour (Community Employment Group) and the Department of Child, Youth and Family.

²⁸ CAB 00 M42/4b refers

²⁹ E.g. CAB (00) M41/2F

issued a Statement of Government Intentions for an Improved Community-Government Relationship,³⁰ and commissioned work jointly led by community representatives and officials to initiate practical steps to improve the community-government relationship. At a more general level, the strategy has influenced: central and local government fora, an increasing interest in community partnerships and whole-of-community development pilots, and supporting 'social entrepreneurs' in disadvantaged communities. Changes to the local government legislation will increase opportunities for citizens to participate in addressing local problems and planning the development of their own communities.

While a number of agencies developed proactive plans for engaging more effectively with the community stakeholders appropriate to their own sphere of interest, there has not been a commonly shared framework to inform inter-agency co-operation. There is also a multiplicity of initiatives that sometimes seem to 'trip over' each other. Communities and hapū/iwi continue to complain of consultation burn-out, duplication of initiatives, inadequate or inappropriate resourcing, and lack of co-ordination across what the Review of the Centre referred to as the 'sector silos' of government.

Agreement by Ministers to a coherent framework and coordinated strategy for government agency interactions with communities, iwi/hapū and community and voluntary organisations would:

- give further effect to the Statement of Government Intentions for an Improved Community-Government Relationship
- respond to rising community/hapu/iwi expectations and flaxroots initiatives
- complement New Zealand's commitment to being a world leader in sustainable development
- enable communities to respond more effectively to the new local government legislation
- improve the alignment of currently fragmented silo interventions in the lives of individuals, families and communities
- support community and iwi/hapū self-determination and improve the chances of achieving lasting outcomes.

3.4 Strategic investment: a critical element in a sustainable community development framework

The value of a sustainable community development framework is that it would encourage consideration of issues and interventions in an integrated way, ensuring that policy design is more likely to contribute to strong community outcomes. By working within a more comprehensive framework, it is more likely that policy issues that cross portfolio or departmental boundaries can be considered jointly where appropriate. For instance, while concentrating on improving local employment opportunities, the wider context of economic development, housing and social services is also important.

A large portion of government's community building efforts have also been targeted at the direct service delivery or 'front end' of the value chain: provision of information and funding and overseeing service contracts. In effect, these forms of support, while ensuring some immediate service delivery, are often

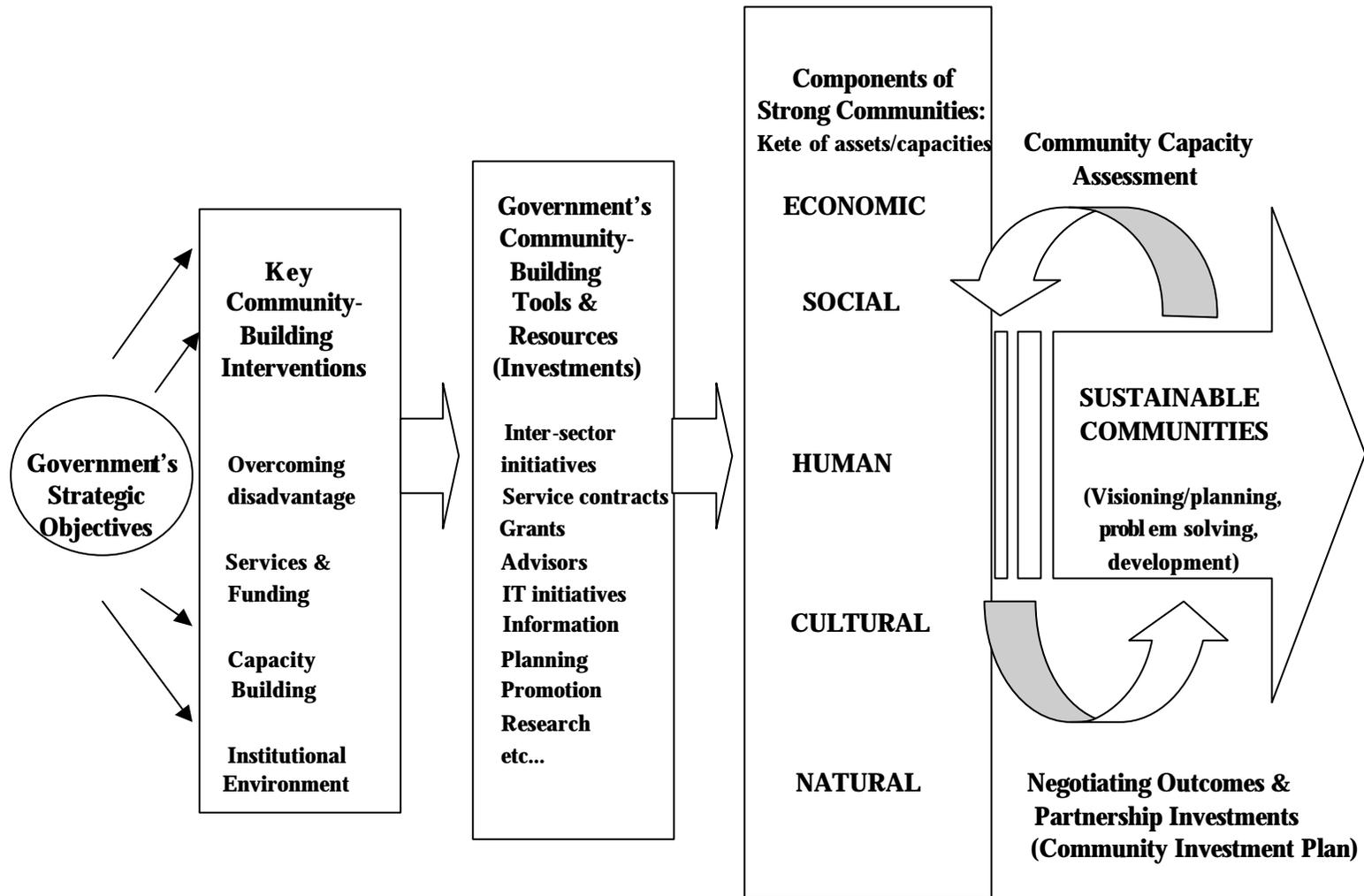
³⁰ Office of the Prime Minister, Wellington, December 2001.

short-sighted and deplete rather than build the capabilities of communities and iwi/hapū to carry out their own development. The emerging interest in partnership between government and the community and voluntary sector, and with local government and iwi/hapū, provides an opportunity to shift government's efforts back to the developmental end of the value chain. Recent initiatives in coordinated service delivery will hopefully improve efficiency and should position government to more effectively target resources on meeting community outcomes. What is required now, particularly as communities engage in establishing outcomes and formulating long-term community plans under the Local Government Bill, is a coordinated government investment framework with communities for orienting services, contracts, grants and other resources to mutually agreed outcomes.

To construct an investment framework that can guide government engagement with communities, a model is needed that relates the notions of a 'whole of government' approach to local community visioning and planning and development initiatives. The following figure indicates the basic elements of such a cross-sector investment process, and their interrelationship with one another [Figure 3]:

Figure 3

A Whole of Government Investment Process for Building Strong, Sustainable Communities



To arrive at an investment model that is practical and useful in engaging with diverse communities, we need a better understanding of:

- *the desired characteristics or indicators of strong, sustainable communities*, which individual communities can use to assess their capabilities in relation to their own development needs and vision
- *the principles that should guide government investment in building sustainable communities and hapū/iwi, and*
- *the tools and resources available to government to invest collaboratively in and with communities and hapū/iwi.*

3.5 The enablers and indicators of strong, sustainable communities

To bring a strategic focus to government's broad investment interventions, research and experience suggest there are several *enablers of sustainable community development*:

- community identity, pride, participation and self-determination
- skilled leaders and capable organisations
- access by communities and community groups to resources, including funding, skills, services and technology
- access by communities and community groups to information about innovative approaches developed within their own and other communities
- the capacity to build partnerships and develop bridging linkages both within their own community, and with other communities
- access by all parties to advice, information and research
- an appropriate regulatory environment and a sustainable approach to development
- necessary local administrative infrastructure.

These indicators or 'enablers' assist in setting priorities when assessing community needs and capabilities to achieve local outcomes. They can also be drawn together to form an *inventory* of capabilities and resources that are fundamental to the sustainable development planning process (see Appendix A). For instance, in his submission to the 1988 Royal Commission on Social Policy, Dr Whatarangi Winiata proposed an inventory of resources or assets for holistic development, based on Māori values and understanding.³¹

Such an inventory could be used in several ways. It could be:

- adapted for use by communities, groups and iwi/hapū themselves for their own investment decision-making. Some components will be of greater relevance to one community more than another, and are likely to vary according to local circumstances and/or culture

³¹ Whatarangi Winiata, 1988. "Hapu and Iwi Resources and their Quantification", April Report of the Royal Commission on Social Policy, Vol. III, Part 2. Wellington.

- used by community advisors, social entrepreneurs, and local stakeholders to help assess the relative strengths and capacities of communities, organisations and iwi as they pursue sustainable development, and/or
- used by partnerships of central and local government, community groups, business and iwi/hapū to assess the state of local or tribal stocks of capital and capabilities generally, and identify a programme of joint strategic investments.

Of course, no single inventory of community assets or indicators of development progress will fit every situation. The interventions and investments government makes will vary according to the type of community being dealt with: geographical, interest or political. For instance, not all interest-based groups will have the scope of development, range of assets or purposes included in the inventory. Further research is needed on how government interventions actually influence the resources and capabilities of communities and iwi/hapū over time. Then we will have a much more tangible measure of the extent to which Community A or Community B has been “strengthened”, and how this has contributed to joint government and community outcomes.

3.6 Case study: Mangakino Stronger Communities Action Fund

A recent study on building social capital in Mangakino³² illustrates the value of community government partnerships in developing community capability and highlights how government can contribute to the process. The research attempted to measure the impact of devolving funding for social services through the Strong Communities Action Fund (SCAF) to local decision making structures and building social capital in the community. The report concluded:

- that the project seemed to have a positive effect on social capital, judging by measures such as participation, the creation of new networks and associations, and greater proactivity. However, *“The growth in social capital that has been stimulated by the Stronger Communities Action Fund needs to be matched by investment in economic, environmental and human capital to ensure positive future outcomes for Mangakino (p. 2)”*. In other words, an integrated or holistic approach to investing in community capital building is needed.³³
- that local citizens believed the community’s ability to implement SCAF would reflect well on its potential to succeed and would be likely to attract further support. This reflects the self-perpetuating nature of social capital – the greater the stocks of social capital in a given community, the greater

³² Linda Ann Taylor, 2002. “Building social capital through devolved decision making: The Stronger Communities Action Fund in Mangakino”. Unpublished research report, Wellington.

³³ This echoes the Growing an Innovative New Zealand report that strengthening communities requires building up all types of infrastructure and capacities. For a similar conclusion, see the Ministry of Social Policy, 2000. “Partnering with Communities for Community Development and Social Cohesion,” Proceedings of the Workshop on Central and Local Government Collaboration, October 20. MSD, Wellington.

the potential for more to be generated. Giving social capital stocks a boost through devolving SCAF funding to community decision-making processes may help establish of a virtuous cycle of social capital creation.

- that while stocks of social capital are supposed to contribute to improvements in economic and human capital, it is not clear over what time period these improvements might occur, and how they might relate to other stocks such as natural capital that may exist in the community. In the case of remote communities like Mangakino, lack of sufficient natural resources and access to markets affects employment and influences whether the community can prosper and grow.

3.7 Developing an outcomes focus

An important component of any strategy to guide government's engagement with communities must be a shift to an outcome focus, built on a strategic investment approach to sustainable community development in partnership with local communities. This approach requires close collaboration across sectors of government in policy formation, planning, resourcing and community development initiatives.

There are a number of issues to address in developing an outcomes focus.

It is critical not only to have a common investment rationale, but also a coordinated investment decision process that is practical, neutral, flexible and collaborative. There are bound to be complications in calculating national benefit and returns on investment where returns are not always financial. The most clear-cut decisions can be made when all the components and benefits can be measured accurately. This is not always possible. Some costs and potential returns, for example from investing in social capital, are likely to be difficult to quantify. In many cases the additional "wealth" generated for communities and the nation will not be measurable in dollar terms, at least not directly. The related issue of valuing non-market benefits has already begun to be addressed.³⁴

Where community outcomes are fully predictable and values fully measurable (e.g. business growth, employment generation) techniques like net present value analysis may work. Where outcomes are less certain or benefits less easy to quantify, methods such as public sector cost-benefit analysis may be employed. Where results and value are highly uncertain, analysis is extremely difficult and the investment decision may rely on educated guesswork. That does not mean that no investments should be made in these areas. There is a need to develop a range of financial, quantitative and qualitative indicators to mark when national benefit is likely to be enhanced. An investment framework similar to the Foundation for Research, Science and Technology is one option. The Social Report has also proposed an index of some national level indicators.

Maximising national benefit is not necessarily the same thing as maximising the return to any single

³⁴ See for example Robert Costanza and Lindsay Wainger's 1991 discussion of valuing a swamp, in "Ecological Economics", *Business Economics*, 26:45-48; also Margaret Mutu's work on valuing Māori land; and Waikato University's FoRST project on Māori sustainable development.

community, iwi, voluntary organisation or local authority. For instance, maximising behaviour on the part of one community or organisation in competition with others may result in reduction of overall regional or national benefit. In pursuing innovative investment opportunities, we need to avoid adopting too narrow an interpretation of local, regional and national benefits.

3.8 Government's tools and resources for investing in communities

A number of government agencies engage with communities and hapū/iwi on an ongoing basis. Together, these agencies have available a considerable array of tools and resources at their disposal. The question is how these can be invested in a more strategically coordinated way in response to the needs and aspirations of diverse communities throughout the country.

Some of government's main tools and resources are:

- community advisors – empowering, mentoring and brokering relationships
- community social services provision (including coordinated service delivery)
- inter-agency initiatives to address local needs (e.g. families, crime prevention, youth, health, housing, employment)
- information access – IT capabilities, online information, research, public information
- organisation and leadership capacity building
- funding for community/voluntary groups and for economic development
- training and education.

Various combinations of the enablers of sustainable community development mentioned earlier can be targeted, depending on which ones are most relevant to the circumstances of particular communities. This can be done through a process of 'investing' combinations of tools and resources from government and other partners to support bottom up initiatives and build community capacity (see *Figure 5*).

Figure 5

A Whole of Government Investment Model for Building Strong, Sustainable Communities

Investment Tools	Development Enablers	Outcome of strategic interventions
Monitoring & evaluation Research Oversight, reporting Regulations, legislation International agreements	Appropriate regulatory and sustainable development environment	Improved institutional functioning
Outcome funding, grants Service contracts Joined up resourcing Targeted entitlements Emergency assistance	Access to funding and resources.	Services and initiatives appropriately resourced and supported
Infrastructure assistance Training, mentoring	Appropriate infrastructure Access to skills, leadership and mgement capabilities	Community capability improved
Research, IT assistance Social entrepreneurship Promoting partnerships	Access to innovation and technology Improving collaboration and linkages	Social capital generated
Advisory services Publications On-line information Research & investigation	Access to advice, mentoring, research and information Promoting community pride, participation and initiative	Specific aspects of disadvantage and exclusion addressed

A critical step in implementing a coordinated investment approach to community building is for a stocktake of current government resources and services to be taken in areas prioritised for investment. The community service mapping exercise by CYF is a beginning step in this direction. Such a stocktake would provide an up-to-date inventory of government resources and initiatives available to communities, community leaders and community advisors when seeking to address local problems and plan development.

3.9 Investment criteria

Implementing a sustainable community development investment approach will require a number of questions to be considered:

- What are the logistical issues for government in developing a framework to guide decisions at the national, regional and local levels? What degree of information is needed? And what level of intervention is most appropriate at each of these levels?
- Which entities should government invest in, and how does government ascertain whether these can be expected to endure over time to ensure sustainable, self-determined development?
- How are communities, organisations and iwi/hapū to be prioritised for investment given scarce resources? What data and consultative processes do we need for making such choices?
- What form of investment is most appropriate in which situations? (i.e. what combination of investment tools?) . Are only public resources to be invested?
- How are returns on investment to be calculated?

Responses to these questions will assist in establishing an agreed rationale for determining when and how government might choose to invest in and with communities, iwi/hapū and organisations to achieve mutually agreed outcomes. Clearly government will want to invest in strengthening community capital and capabilities that result in overall wellbeing and serve the common good, rather than initiatives that result in aberrant or illegal behaviour. Government also cannot respond to all requests for assistance or resourcing by communities. Where communities experience particularly critical or intractable social and economic problems, it may be unrealistic to expect that short-term investment in capacity building will lead to sustainable outcomes. Taking a medium to long term view must be a preferred goal. Priorities need to be set in conjunction with local government, business, voluntary organisations and iwi/Māori who will be often be responsible for the long-term success of any development process.

At present, government departments and community funding mechanisms (such as COGS) tend to work from separate guidelines to prioritise funding on the most disadvantaged or problem-ridden communities and groups. There is room for improved mechanisms across government agencies in assessing community needs and determining priorities, criteria and expected outcomes. A more strategic, coordinated set of guidelines for government community building investment linked to overall government goals will require further inter-agency and community discussion.

The criteria for determining the most appropriate enablers and investment tools in any given community are likely to be those that:

- *achieve mutually agreed outcomes* - aligning local outcomes and national goals through consultation, negotiation and tailoring of programmes
- *foster partnerships and shared responsibility* – enhancing collaboration across the government sector, and between central and local government, and business, Māori and community

organisations to achieve outcomes that cannot be accomplished wholly by one sector or institution.

- *are consistent with the principles of the Treaty of Waitangi* – taking account of the partnership between the Crown and Māori, as well as the Treaty settlement process.
- *address impediments, exclusion processes or intractable problems* – tackling the difficulties faced by communities, groups, or iwi/Māori lacking the skills or resources to escape cycles of disadvantage and move to greater selfreliance
- *are cost-benefit effective* – supporting initiatives that offer the most returns from synergies of co-operation, reduced compliance costs, or greatest range of benefits to the most people over the long-term; have desired outcomes that cannot be accomplished more effectively (judged by cost and outcome) by other means; and where there would be downstream negative effects if the development did not occur
- *foster sustainable development* – where an initiative or investment is undertaken in the context of holistic development by whole communities, groups or iwi/hapū with effective participation by those whose lives are affected.
- *result in strengthening local capabilities* – promoting individual initiative, and enhances human, social, physical and natural capital of the community, iwi and/or other group.

3.10 Investing in community building: a collaborative process

The community building process is not something governments can do *to* communities, groups and iwi. Effective local development and solutions to local problems are best achieved through community driven processes and collaboration in determining investment priorities. Business and industry have developed ways of achieving operational synergies, innovative solutions and greater entrepreneurial creativity by clustering, partnering, researching and establishing new linkages. Communities, groups and iwi/hāpu have the same potential to explore new synergies, solutions and partnerships. There are increasing opportunities for civic entrepreneurship and creative 'venture' resourcing to make such local initiatives a reality.

To achieve mutually desired outcomes and wellbeing, families, organisations, communities, and iwi need the freedom and the capabilities to make their own choices and undertake their own actions. Where appropriate, such efforts may require additional resources to enable communities to become more self-sufficient. This self-determination process involves families, organisations, communities and hapū/iwi investing together over time in building up and maintaining their various resources and capabilities.

These *capabilities* are the building blocks of strong, vibrant communities, regions and iwi. The complex trade-off investment process of weighing up and deciding how to maintain and balance these different stocks for the wellbeing of present and future generations is what sustainable development is all about. Community, organisational and iwi/hapū capacity building is about helping to foster and strengthen these very stocks/capabilities.

A government strategic investment approach to sustainable community development will require closer collaboration with communities, local government, business and iwi/hapū. Already various ad hoc initiatives and pilots are occurring based on concepts like whole of government *collaborative planning and community development*. In part these are being driven by greater government commitment to joined up approaches, and in part as a response to the administrative/political community planning requirements in the pending local government legislative revisions.

Nevertheless, some communities, voluntary organisations and iwi/Māori worry that in spite of all the talk of cooperation and partnership by government they will not have any real influence. They are concerned that they will be asked to contribute both financially and in time and effort as government attempts to shift greater responsibility onto the community. While communities and community organisations are seeking greater involvement in government decision-making, there is a strong feeling that this needs to be appropriately resourced and supported.

Such concerns are not unique to New Zealand, as overseas studies show.³⁵ Addressing them will mean more than just managing perceptions or going through the motions of consultation. Local communities, voluntary organisations and iwi/hapū are seeking greater control over the decisions that affect their lives, and over the resources that make things happen. Collaboration and partnerships between government, communities, and iwi/Māori are not without uncertainties and risks to all parties.

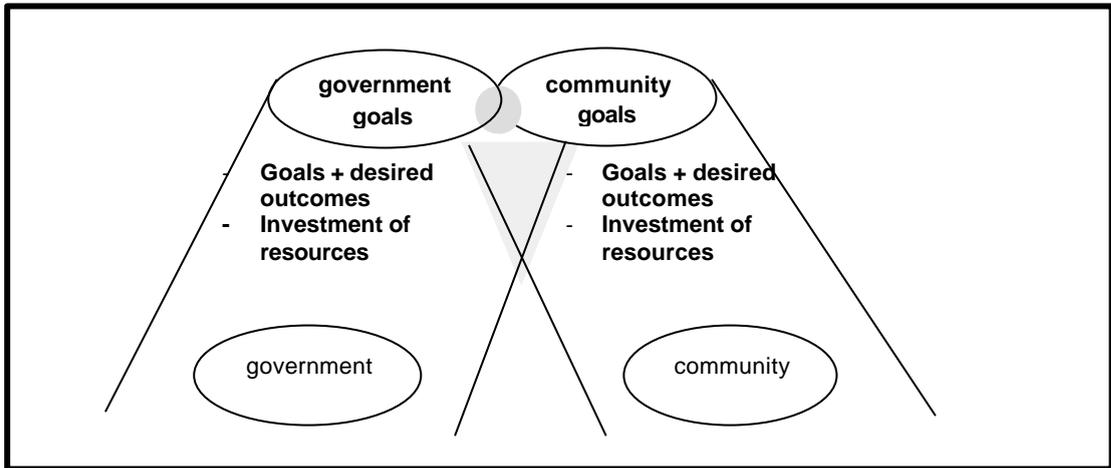
3.11 Negotiating mutually agreed outcomes

Government outcomes and community outcomes are not necessarily the same, but communities/iwi/hapū can make an important contribution to social and economic development outcomes. Communities have various resources that they invest in their own development (such as volunteer hours, capital, skills and local knowledge) to achieve the goals communities want to achieve. These goals are often closely aligned to what government wants to achieve. Community resources, including those of the business and philanthropic sectors, can be utilised, together with resources of central and local government, and the private sector to better achieve these shared goals (*Figure 6*).

³⁵ Eric Shragge, 1997. "Community Economic Development: Conflicts and Visions." In Eric Shragge (ed.), *Community Economic Development: In Search of Empowerment*. Montreal/New York, Black Rose Books. Pp. 1- 18.

Figure 6

Shared Government and Community Outcomes



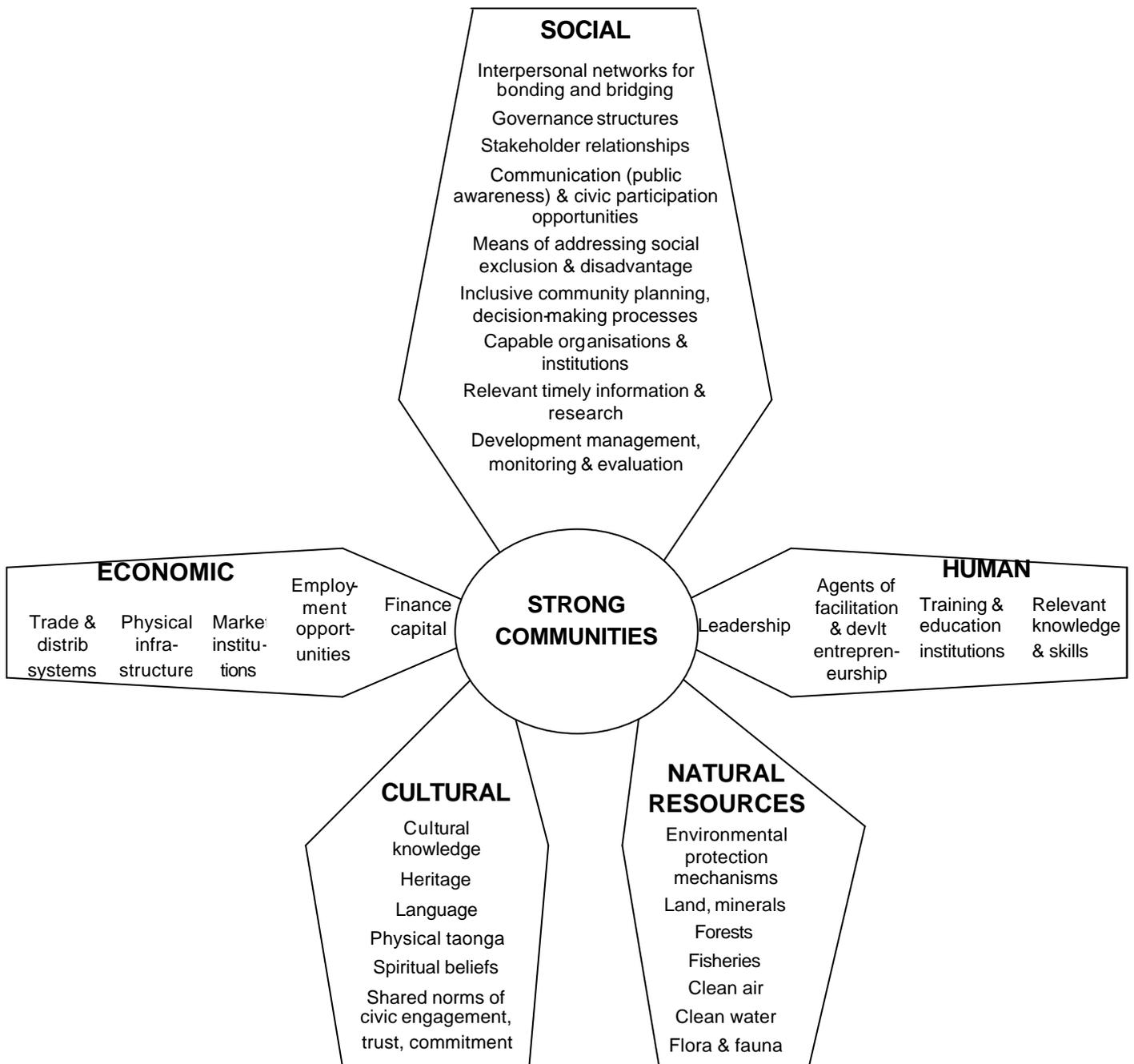
The programme of policy work initiated through the strong communities strategy provides a basis for identifying the outcomes government wishes to achieve through building strong communities. Further analysis and consultation with communities, voluntary organisations and iwi/hapū to develop agreement on the outcomes sought, both at the national level, and at the local level in meeting community aspirations.

4. Summary

The framework discussed in this paper identifies factors that contribute to strong communities, and proposes a rationale for evaluating interventions and improving coordination of government investment in partnership with communities. The previous discussion leads to several conclusions:

1. For a government strategy to achieve lasting results requires a whole of government approach. This will mean identifying ways of breaking down policy and operational silos that separate analysis, planning, funding and programme delivery.
2. Government's engagement with communities and community organisations would benefit by taking an investment approach to attaining mutually agreed outcomes. Investment in community building will require a more strategic, coordinated approach and innovative resourcing mechanisms.
3. Taking a community development approach to government intervention leads to decisions and initiatives shifting up the value chain, as greater responsibility and authority is transferred to local communities for development and service provision, and engaging in partnerships.
4. There is a need to be more specific about exactly what government, communities and iwi/hapū are jointly investing in, and clearer on the complex investment trade-off process required for achieving sustainable development. The inventory model proposed earlier provides a possible tool for communities to assess their capabilities as part of development planning and measure development progress.
5. A number of questions are raised by this discussion.
 - What entities has government currently invested in, and how is their status likely to change over time? In other words, how can we measure improved capabilities and sustainability of organisations and institutions at the community level?
 - How are communities, organisations and iwi/hapū to be prioritised for investment given scarce resources? What information and consultative processes do we need for making such choices?
 - What criteria should guide government investment in particular communities, regions and iwi/hapū?
 - What outcomes or returns on investment are to be expected, and who determines these?
 - How are returns on investment to be measured and assessed?
 - What new mechanisms should be explored for implementing a collaborative investment approach to strengthening communities?

A commitment to further joint work will be needed to find appropriate answers to these questions and achieve a more coherent strategic approach to building strong, sustainable communities.



AN INVENTORY OF THE COMPONENTS OF STRONG, SUSTAINABLE COMMUNITIES

