



**Submission to ACT Government Standing Committee  
on Regional Development**

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It is with pleasure that I make the following submission to the ACT Government Standing Committee on Regional Development Inquiry (the Inquiry). I would welcome the opportunity to provide further assistance or evidence at the Committee's convenience.

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**Introduction**

Information presented in this submission is sourced from a PhD which was completed in 2010 titled:

***The search for policy coherence:  
Australian regional governance in a Federal framework, 1996-2007***

The thesis examined ways of governing (specifically institutional and policy frameworks) for coherence and sustainability in a regional context<sup>1</sup>. Governance in Australia since WWII was closely reviewed, with a specific focus on the period 1996 to 2007 (the Howard years).

The study comprised the following elements:

- extensive literature review on governance and public sector effectiveness and efficiency both nationally and internationally;
- a meta evaluation of four key regional governance programs in which the Australian Government had a leadership role, comprising: Natural Resource Management (NRM) (now Caring for our Country), Sustainable Regions, Regional Partnerships and Indigenous Affairs Arrangements;
- an in-depth analysis of regional governance in the United Kingdom and the European Union, with a specific focus on the 'modernisation' components (ie post 1990s);
- a review of the regional governance approaches of Australian jurisdictions as of 2006-2010 (the timeframe of the thesis study);
- in-depth analysis of the regional governance approaches of New South Wales and the Riverina Federal Electorate (RFE) region (selected as case studies) to examine both policy and operational issues;
- two rounds of consultation with key stakeholders (that is, those departments who have a regional focus in their portfolio delivery) in:
  - (i) the Australian Government and NSW Government (comprising Ministers, Shadow Ministers and senior bureaucrats)
  - (ii) Australian Government and NSW Government regional stakeholders (for example, Area Consultative Committees, NSW Premier Regional Coordination Program, Catchment Management Authority, Indigenous Coordination Centres)
  - (iii) Federal, State and Local Government elected representatives covering the Riverina region, and
  - (iv) General Managers and Mayors of 16 local government authorities in the Riverina region.

The study developed a model of policy coherence (PCM) as a step towards more sustainable outcomes for regional communities across the nation. More specifically, the PCM incorporates both horizontal and vertical approaches to joining up government. The findings to emerge from the study also relate

<sup>1</sup> The term 'region' in the PhD study applies to all regions across Australia as opposed to the term 'Regional Australia' which is commonly used to address those areas in rural and remote areas of Australia. The definition of 'region' is further discussed in the thesis and not included in this response.

to the ACT Government and surrounding local government authorities and how the current approach to governance for the region could be improved. It is within this context why I have not addressed each ToR individually, as the content of my submission relates to each and every ToR.

I note that the ToR comprise:

- (a) the identification of opportunities and supporting governance structures to coordinate economic development, including tourism and transport across the region;
- (b) the coordination of service planning and service delivery, particularly in the areas of health and education; and
- (c) the opportunities for collaborative procurement by ACT Government with surrounding local governments.
- (d) further cooperation at the local government level on environmental and conservation matters and building community resilience to deal with natural disasters, extreme weather events and climate change; and
- (e) any other relevant matter.

In addition to the body of my academic knowledge in regional governance, I would also point out that I have personally worked within the three spheres of government (including the ACT Government) over a period of 20 years, and this has provided me with grass roots experience in local and regional place based approaches. I have attached my Curriculum Vitae for reference.

The following section presents the rationale for undertaking my PhD study. This will be followed by a section reflecting the key findings to emerge from the study. The final section presents how the findings of the study could be transformed into practice with regard to the ACT Government and surrounding region to achieve more sustainable outcomes.

It should be noted that I have provided only key points to emerge from the study for brevity and ease of reading. Nevertheless, the information contained herein is based upon an extensive and rigorous academic exercise and I am happy to provide further information / evidence if needed, including an entire copy of the thesis.

## **Background**

Over the past two decades the concept of governance has received considerable attention by many academics. A common theme to emerge is that governance is characteristic of a complex web of networks and partnerships, both formal and informal. As a prescription for better public policy, this network-based view of governance has created the need for increased coordination across disparate groups, political actors, locations, and jurisdictions. It has further added impetus to calls in government for the breaking down of departmental 'silos' to encourage, where possible, a cross-fertilisation and integration of vertical and horizontal organisational structures and functions.

What have also come to the fore in recent years are the sustainability challenges facing governments and communities, particularly with regard to the integration of social, economic and ecological spheres. However, since the concept of sustainable development was introduced it has brought with it greater complexity particularly with regard to special interest groups, checklists, targets and measures. There has also been a tendency to align sustainability with the environment sphere rather than a holistic approach to include the socio-economic spheres<sup>2</sup>.

A key concern addressing complex and 'wicked' strategic policy, is the challenge of creating and maintaining governance and institutional arrangements to address the sustainability demands. Good

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<sup>2</sup> For example, the Australian Government has a Department called the Department of Sustainability, Environment, Water, Population and Communities. Similarly, the ACT Government has a directorate called the Environment and Sustainable Development Directorate. I believe that sustainability should be integral to all policy and development. This was a recommendation which I included in my submission to the ACT Government' Review of the ACT Public Sector (October, 2010) where I recommended that a Sustainable Policy Unit be established.

governance and public management are considered to be preconditions to achieve sustainable development: it can provide stability, reduce administrative duplication, encourage the efficient and effective use of resources and foster the development of self-reliant regions. Such structures should also include the integration of social, economic and environmental values into public policy making.

The OECD (2002:3) reflects upon the nexus between achieving greater policy coherence and sustainable development:

Achieving greater policy coherence demands sustained efforts to improve the integration of sectoral policies, to ensure policy integration across levels of government, and to ensure consistency in the choices made by the various stakeholders. An important issue is how to advance this 'integration agenda'. Central agencies have a role to play in monitoring the implementation of the sustainable development agenda, and this process should be mainstreamed into the regular policy process.

In a federation such as the Australian system, the most challenging policy choices faced by governments are those that cross traditional constitutional and political boundaries between the national and sub-national governments.

In an attempt to address many of these challenges, since 2004 the 'whole of government' (WOG) concept has been promoted as the means for public administration of the future. For example, the former head of the Department of Prime Minister & Cabinet (PM&C), Dr Peter Shergold (2004:v in Commonwealth of Australia, 2004) argued that, "Australians rightly demand the delivery of government programmes and services in a seamless way".

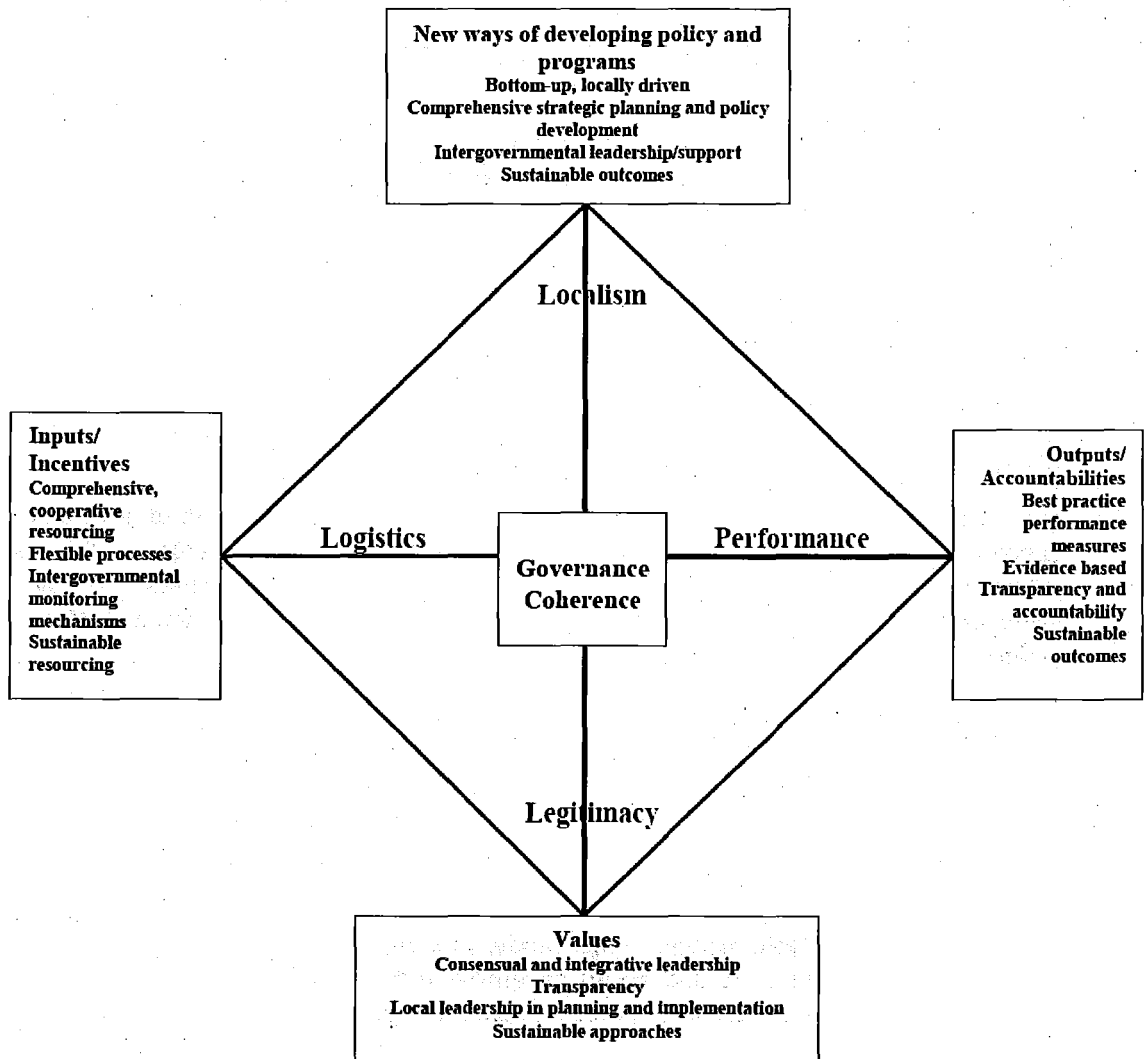
Contemporary governments frequently have a range of objectives - social, economic and environmental - which cannot easily be reconciled and may even be in direct conflict. The first Murray Darling Basin Plan is a typical example of such tension. While the government of the day proposed certain water flow restrictions, it created angst among many communities in that towns would result in economic and social decline. Policy making of this nature can, in turn, result in a loss of confidence and uncertainty in citizens' perceptions of governments. Therefore, building coherence provides common criteria for policy decisions which are more likely to be effective and more readily applied in a consistent and equitable manner. Importantly, an integrated strategic framework is considered a tool which builds coherence and allows governments to define and plan for longer-term policy objectives. The nature of such an approach is that policy is:

- strategic and contributes to short, medium and long term government goals;
- outcome-focused, including comprehensive performance measures and monitoring and evaluation systems in place;
- joined-up/integrated where necessary so that approaches to governance could work across organisational boundaries;
- inclusive and take account of the interests of all;
- flexible and innovative enough to tackle causes, not symptoms; and
- is not afraid of experimentation; and robust so as to stand the test of time and work in practice from the start.

### **Policy Coherence Model**

A Policy Coherence Model (PCM) – presented below in Figure 1 - was developed as a result of the PhD study identified in the 'Introduction' of this submission. The PCM comprises four dimensions: legitimacy, localism, performance and logistics. The table following Figure 1, presents the four dimensions and their criteria which provides indicators as to how to meet the dimension requirements.

**Figure 1: Policy Coherence Model**



**Table 1: Coherence dimensions and criteria**

Dimension	Criteria
Localism	<ul style="list-style-type: none"> <li>• <b>bottom-up/locally driven:</b> effective representative consultative/participatory structures and processes, shared interface, collegiate behaviour and expertise</li> <li>• <b>comprehensive strategic regional planning and policy development</b> aligning with stated federal government priorities</li> <li>• <b>intergovernmental leadership/support</b> (timely advice, relationship management, engagement and planning)</li> <li>• <b>sustainable outcomes as planned by the leadership group</b></li> </ul>
Legitimacy	<ul style="list-style-type: none"> <li>• <b>consensual and integrative leadership</b> (all levels of government): formal relationships, collective policy/program development, implementation and accountability</li> <li>• <b>transparency:</b> open and accountable processes, clearly articulated policy/program framework and roles and responsibilities, equity and equality</li> <li>• <b>local leadership in planning and implementation</b></li> <li>• <b>sustainable approaches/outcomes</b></li> </ul>
Logistics	<ul style="list-style-type: none"> <li>• <b>comprehensive and cooperative resource allocation</b></li> <li>• <b>flexibility</b> of funds and management arrangements</li> <li>• <b>intergovernmental monitoring mechanisms</b> (including timely advice, relationship management, engagement and planning)</li> <li>• <b>sustainable resourcing</b></li> </ul>
Performance	<ul style="list-style-type: none"> <li>• <b>best practice comparative measures</b> (equity, efficiency, effectiveness, economy)</li> <li>• <b>evidence base</b></li> <li>• <b>transparency and accountability guides</b></li> <li>• <b>sustainable outcomes and future prospects</b></li> </ul>

**How can the PCM transform into practice regarding the ACT Government and region?**

The PCM can be transformed into practice for the ACT Government and surrounding region to work toward achieving long term, sustainable outcomes and future prospects. It will also enable both policy and institutional governance arrangements to support future prosperity. The following provides some practical examples of how this could be achieved. It should be noted that I have suggested key examples only which highlights an indication of a starting point.

I note that the ACT and NSW Governments have a MoU in place to guide regional development. Whilst acknowledging that this reflects a spirit of cooperation on specific initiatives, it does not establish a comprehensive integrated policy framework between social, economic, environment and spatial parameters.

As such, the development of a comprehensive, integrated ACT and region strategic plan would be an important step to develop a shared, common and agreed way forward for the long term future of our communities across the region. I also note that while the RDA ACT has a regional plan, it is not a long term, integrated approach to achieve sustainable outcomes. In addition, RDAs, historically, have tended to focus on employment, industry and economic development – a remit imposed on them by the Federal Government. This is by no means a criticism, as RDAs are restricted with regards to what they can achieve due to their level of resourcing. On the contrary, I think the RDAs do great work within their funding parameters.

Given the current fiscal constraints of governments, a starting point in developing an integrated regional plan could be to utilise existing planning policies of both the ACT Government and surrounding local government authorities, particularly since the introduction on Integrated Community Plans in NSW. In this way, communities do not need to be consulted again, therefore avoiding consultation overload.

Once the plan is created together with accurate data for forecasting, short, medium and long term priorities can be established. It would also be important to develop accurate performance measures and an evaluation and monitoring framework. This component is critical for sustainable outcomes.

Such an integrated, priority setting and sustainable approach to development in the region provides the ACT and Regional Governments with a solid business case for lobbying state and federal governments for funding.

With regard to the governance arrangements, the creation of an ACT-NSW interface team dedicated to the ACT and Region Integrated Strategic Regional Plan deserves consideration. This team will achieve optimal outcomes if it is very focused in their remit. A recent example of where this approach has been successful is in the Northern Territory through the Remote Service Delivery Initiative implemented during the past four years. This approach created a team of federal, NT Premier's Department and the NT Department of Local Government middle –senior management to develop and implement plans across 15 NT sites. Officers were co-located and worked together on a day-by-day basis in a collaborative and collegiate environment.

There is a range of other approaches that could be considered along with those that I have presented above. Should the Standing Committee be interested in what I have suggested, I would be privileged to further discuss and share my knowledge.



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1 July 2013