

*I runga i te kī  
He aha i te mea nui  
He tangata, he tangata, he tangata  
Nā konei te wero*


*Kaua e hangai he ture  
I pērā i te kupenga ika  
He here hoʻo*

*Engari, i pērā me te nekeneke tai he ārahi*

*What is most important?  
It is people, people, people  
We should not create policies that are  
like the fishing net  
that snares and strangles*

*but like the surging tide  
that uplifts and carries forward*





Communities and Government - Potential  
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## The opportunity

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From sports coaching for school children to volunteer fire fighters, from foodbanks and meals on wheels to preparing *kai* for a *tangi*, from budget advice to the *Hīkoi* of Hope, from replanting *pīngao* grass to supporting Pasifika cultural festivals – New Zealanders in their thousands contribute to the wellbeing of the nation, both as paid workers and as volunteers. Through a wide range of *iwi* and community organisations, they deliver essential social, environmental and cultural services and provide the ‘glue’ that holds our society together.

Releasing the full potential of this collective effort requires strong relationships between government and community organisations, between the Crown and *iwi*, between Māori and *tauiwi*, between central and local government, between rural and urban communities, and across wider society. All New Zealanders benefit when the interactions between these sectors are based on co-operative decision-making, mutual accountability and a climate of trust and respect.

However, more than a decade of social and economic change and state sector reform has left many in community organisations mistrustful of government and feeling undervalued and disempowered in their dealings with bureaucracy. Many people in *iwi* and community organisations now feel excluded from key policy decisions.

## Rebuilding the relationship

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In March 2000, the Minister for the Community and Voluntary Sector, Hon Steve Maharey, responded to strong messages that the relationship between government and community organisations is not healthy and needs concerted action. A Working Party was formed with membership from community organisations, Māori and government officials. In August 2000, the Working Party began considering what was wrong with the relationship and what might be done about it.

As well as studying the research and other written information already available and meeting with an interdepartmental group of government officials, the Working Party sought the opinions of a sample of people from Māori, Pacific, urban and rural community organisations. There was almost unanimous agreement from these people on the barriers to their relationship with government.

***"There is a sense that the voluntary sector is considered to be second rate."***

The Working Party has now produced a comprehensive report on its findings and recommendations for action. These recommendations are divided into two stages – steps that can be taken immediately, and action on the more complex issues, to be introduced over the next year.

This booklet gives a summary of the report, along with the complete recommendations. The quotations are taken directly from views expressed by community organisation representatives either in meeting with the Working Party or in written submissions. The full report, titled **Communities and Government – Potential for Partnership**, is available from the Communications Unit, Ministry of Social Policy, Private Bag 39993, Wellington, or on the Community and Voluntary Sector page of the Ministry of Social Policy website at [www.mosp.govt.nz](http://www.mosp.govt.nz).

## Community, voluntary and Iwi/Māori organisations

From the start, the Working Party was aware of the richness and diversity of groups and organisations throughout the country. Whether on a paid or voluntary basis, fully or partially funded, all contribute considerable expertise to their communities. The Working Party found it impossible to sum up this broad spectrum of activity in a single definition and settled on the terms 'community, voluntary, and Iwi/Māori organisations' and 'community sector' for its report.

## What people in community organisations said

In listening to people from *iwi* and community organisations throughout the country, the Working Party heard an overwhelming message of anger, burnout, profound mistrust and cynicism. It became clear that the relationship-rebuilding process could not go ahead without properly acknowledging this depth of frustration and resentment among many people active in their local communities.

***"We have learned not to trust. They hold all the cards. They are not really interested in what we say."***

Many felt the period of economic and social reforms had left their organisations to pick up vital services from government, while also leaving them out of the policy-making loop. People felt they had been undervalued, treated arrogantly by officials and regarded as second class citizens.

Some Māori spoke positively about opportunities for service provision which had developed over recent years, but many were experiencing barriers similar to those faced by other community and voluntary groups. Further, many Māori felt passionately that unresolved issues round the Treaty of Waitangi presented an additional and significant barrier to a better relationship.

***"Young, inexperienced or unknowledgeable officials often deal inappropriately with voluntary sector people who are long on experience and have records of skill and success."***

Pacific peoples and other recent migrant groups spoke of the lack of support and understanding of their needs and their struggles for funding.

Some community organisations expressed a belief that government officials did not understand how their organisations operated, or the processes involved. They felt they had to reshape their organisations to fulfil the requirements for funding. Despite an increase in the total pool of money for community initiatives, people spoke of some funding remaining static for five or six years, forcing them to cope with increased costs and/or workloads.

Community people accepted the need for accountability and effectiveness, but saw their services as much more than a 'business'. The 'business model', therefore, was seen as only partially useful. The shift from collective responsibility to a focus on individuals, from being co-operative to being competitive, from public good to private good, was seen as far removed from community development models.

Most groups experienced government funding processes as a major source of tension. Organisations needed to balance the struggle for funds against efforts to maintain independence and an advocacy role for social change. The time involved in seeking funds and completing accountability documents was resented by paid staff employed to exercise policy and programme skills, and by volunteers who felt they offered their time to support people in need, not to complete paperwork.

Many organisations are battling to survive, and found it hard to lift their gaze to talk about how a better relationship might look. The notion of a 'civil society,' one in which their work is valued as the vital glue that binds strong, vibrant communities, seemed a long way off.

***"Existing Pacific peoples' networks are not well used as government communication channels."***

***"The anorexic nature of the voluntary sector, funded to survive, not to succeed."***

***"Some people have come along just wanting to 'make a cup of tea' and found themselves on the executive and becoming legally liable for contracts."***

## The up side

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However, the picture was not entirely gloomy. The Working Party was aware of a willingness to find new ways of working with government in a forward-looking and more open political environment. Many people in iwi and community organisations acknowledged that the present government is listening to their concerns and has responded. They recognised there are already a number of positive actions underway. Treasury's work with some of the national umbrella groups on proposed guidelines for government agencies contracting with non-government organisations is one example; protocols for relations between the Police and iwi and community organisations is another; and the development of relationship protocols between the Ministry of Foreign Affairs and Trade and aid and development organisations is yet another.

National groups and strategic collectives have also begun to talk and work together to develop their relationships with each other, and to rebuild their relationships with government. Social services, health, arts and culture, aid and development, sport and recreation, environment and education bodies are beginning to explore their similarities and acknowledge differences.

Some groups have adapted to the changed environment and saw strengths, for example in the contracting process. Many have benefited from the redistribution of resources or received money for new initiatives. Yet even those agreed that the relationship needed repairing.

***"The fact that the Working Party has been established ... is indicative of political commitment to a new way of going about this discussion."***

***"Some organisations have had their genesis through the availability of contracting and have thrived."***

## What community organisations are seeking

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Fundamentally, people in *iwi* and community organisations are looking for a new relationship with government – one that is based on mutual respect and trust and is robust and able to stand the test of time. Under this new relationship, the respective roles of both parties would be understood and valued, and their independence and interdependence acknowledged. They wished to see a ‘civil society’ in which the three sectors, government, business and community, operated effectively together.

These expectations fell into five main categories:

### Renegotiating funding and accountability

Inadequate or static funding in the face of greater demand for services was a key concern. While government expenditure had increased to match expanding service delivery, demands for services have also increased and many *iwi* and community organisations are struggling to survive. The Working Party found no easy answers to the question of the amount of funding needed by the community/voluntary sector. Although people made a real effort to concentrate on the wider issues of the community/government relationship, it was clear that for many, a lack of funding is a major hurdle. Many organisations described their financial state as perilous.

The Working Party felt that action by government to enlarge the pool of money available for community initiatives would be a significant and practical sign of its valuing of *Iwi/Māori* and community/voluntary organisations. This would go some way towards recognising their enormous contribution to local, regional and national economies.

Equally of concern was frustration over the *process* of funding. As bodies which each have their own values and goals, community, voluntary and *Iwi/Māori* organisations are also seeking to negotiate funding arrangements on equal terms with government.

***"Government needs to nurture its relationship with community organisations."***

***"You get a bit from here and a bit from there. You are always chasing around to find the money."***

This would include:

- ④ working out mutually agreed performance and accountability measures
- ④ receiving funding on time
- ④ having longer-term contracts that gave greater security and enabled effective planning
- ④ exploring different models of funding
- ④ fitting the contract size and complexity to the amount of money provided, or having a grant instead.

### Developing participatory democracy

There was a strong feeling that the potential contribution of the community sector had been under-valued in the work of government. This apparent reluctance to engage effectively with community organisations was viewed by iwi and community commentators as a barrier to achieving quality results. They called for real community influence and more decision-making at the local and regional levels.

People felt there is a need to reshape what participatory democracy means in practice. To achieve this, both politicians and bureaucrats need to become aware of the value of the relationship and the importance of an active, respectful partnership with iwi and community organisations.

This would include:

- ④ community input at the beginning of policy forming processes
- ④ feedback to show what has happened to submissions on issues
- ④ guidance on working through differences, and enabling silent voices to be heard
- ④ both central and local government acquiring different skills for more participatory processes, such as facilitation, mediation and negotiation
- ④ sharing information on good local examples which could be used as guides for national practice.

***"We don't want to write meaningless reports around numbers; it's the social objectives of our agencies that should be measured."***

***"Voluntary organisation systems tend to be slower than those of government or the private sector. This is automatically seen as a weakness whereas it may be a strength in relation to inclusivity."***

## Crown/iwi relationships

The Working Party's task was to focus on the relationship between government and the community sector. For *iwi*, however, the primary barrier was one step removed from this. The Working Party strongly advocated a high-level, highly mandated body such as a Treaty of Waitangi Commission to advise on unresolved Treaty-related issues and, in particular, ways of enabling Māori to determine their own path, and work through any associated constitutional issues.

**"A good relationship is one that supports tangata whenua to express themselves and exercise self-determination or tino rangatiratanga."**

This would include:

- ④ education about the Treaty for government officials and community organisations (many community/voluntary groups also expressed the need for this)
- ④ dealing with any unfair funding practices, exploring direct Crown funding to *iwi* and Māori social service providers
- ④ developing good practice models of *tikanga* Māori (how to interact respectfully with Māori cultural beliefs and processes)
- ④ reviewing the implementation of the recommendations in the 1988 report *Pūao-Te-Ata-Tū*, which aimed to reduce racism within state institutions.

## Strengthening the community sector

To play its full part in the rebuilding process, the community sector itself is in need of greater support. It needs to be better informed, to have a greater ability to advocate, network and have informed debate on local, regional and national issues. Such support calls for resources, a planned strategy and commitment over time.

This would include:

- ④ the opportunity for people to express opinions without fearing their funding will be cut or reduced
- ④ the strengthening of national and umbrella groups, and other strategic collectives, so they can effectively advocate on behalf of their members
- ④ strengthening *iwi* and community organisations' own processes so tension between those at the grassroots and those representing them is minimised.

## Improving the ability of central government to work with community organisations

There was a very strong view that the bureaucracy did not understand or respect Iwi/Māori, community and voluntary organisation values and operating constraints. For interaction with government as a whole, the community sector wanted a relationship in which each party values the other's expertise, acknowledges complementary roles, and works together with respect and trust.

***"Failure to listen to communities' understanding of their own needs can lead to failure of 'well-thought-through' programmes."***

This would include:

- ④ secondments
- ④ exchange of information seminars for officials
- ④ utilising community expertise on a regular and paid basis
- ④ working out agreed frameworks for interaction.

## Other partners in the relationship

The primary partners in the relationship have been seen as the community sector and government. In the second phase of the rebuilding process, however, the Working Party can see benefit in further interaction with both business and local government.

Local government is a significant player at the local level. In addition to its role in planning and delivering services, it often provides leisure facilities and supports cultural, sports and community-based social service activities. Opinion was strongly divided, however, about the potential for local government to be further involved as a catalyst, facilitator, co-ordinator or advocate at the local community level. While some councils are actively pursuing a collaborative approach with their communities, many are not.

Despite these differences, the Working Party considered that local government should be actively involved in Phase Two, with opportunities to share examples of good practice, to strengthen links and to think laterally about the delivery of services.

Businesses, large and small, significantly affect the social and economic wellbeing of local communities. As with central and local government, business, iwi and the community sector would each benefit from improved understanding and interaction.

The Working Party was also keen to reach further across the community sector in the second phase to encourage more participation from sport and recreation, arts, environment, human rights and education bodies, giving a more comprehensive view of the many components of wellbeing in Aotearoa/New Zealand.

The Working Party noted that world-wide, there is increasing engagement between governments and civil society organisations to pursue common interests. Issues of human rights, the rights of indigenous peoples, the influence and input of non-government organisations into inter-government agreements and their representation at important fora are all part of a growing international movement. The involvement of people and organisations from iwi and from the community sector is critical to New Zealand's contribution to developing international protocols and agreements.

## Agreement or compact?

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From the start of its work, the Working Party was aware of similar processes that had already taken place in some countries overseas. In the United Kingdom, for example, agreements have been negotiated between the home country governments of England, Scotland, Wales and Northern Ireland and their voluntary sectors. These agreements, or 'compacts', set out values, principles, roles and ways of developing improved relationships between the two sectors.

The Working Party agreed, however, that New Zealand's situation is unique. The Treaty of Waitangi establishes the basis for partnership between iwi and the Crown and our processes therefore need to reflect that difference. There is also no single organisation or comprehensive group of bodies in New Zealand with which government could sign an overarching partnership agreement or compact. Lack of resourcing of the networking and advocacy roles of the community sector has contributed to fragmentation and reduced the ability of community and voluntary organisations to respond effectively to any overtures of partnership.

***"Developing trust between government and local communities is time consuming and requires realistic investment."***

Finally, the Working Party heard most clearly that, before considering a comprehensive agreement of any sort, the community sector is seeking strong evidence of positive change.

The Working Party believes that, with better support for the community sector over the next year, the possibility of an agreement, a framework or set of specific protocols with government will become much clearer. Meanwhile it has suggested steps towards that possible end.

## The way ahead

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On the one hand, the Working Party was sobered by the depth of mistrust and cynicism expressed by the people it spoke to and the written material it received. On the other, it was constantly reminded of the creativity, strength, determination and sheer potential that exist right across the country.

The Working Party certainly sees an opportunity to develop a more trusting, respectful relationship building on the deep wealth of community and government experience and talent in this country. To continue the path proposed will be challenging, but the benefits of continued work over the next year in particular are worth a concerted, collaborative effort.

***"We used to be a bit apologetic about the fact that we worked in the community, but now we can describe our sector with pride."***

The Working Party has designed a process that will build on the positive actions which government and the community sector have already initiated. The following recommendations are grouped into:

- ④ actions that government could take immediately (IMMEDIATE ACTIONS)
- ④ those that are more complex and will require collaborative work over the next year (PHASE TWO ACTIONS).

At the same time, the establishment of a high-level body such as a Treaty of Waitangi Commission will provide a way of working through unresolved Treaty issues.

A series of three working groups is recommended to address the issues in the relationship between government and the community sector that need further work. The chairs of each of these groups would form part of a Steering Group to keep the work integrated and on track. Each working group would draw on expertise from *iwi*, urban Māori groups and the broader community sector, and government officials. The year-long process must also include regular feedback to the wider community and opportunities for its ongoing involvement.

In addition, the Working Party considers that the current Government's commitment to a positive working relationship with community and voluntary organisations should be expressed in a formal *Statement of Intent*. This Statement should set out the principles on which the attitudes and behaviour of government agencies should be based. This would be an important step in restoring the confidence of the community sector.

## The way forward: proposals for implementation

Developing effective working relationships between government and Iwi/Māori, community and voluntary organisations requires both immediate steps and a substantial commitment over time – a ‘journey’ in which the partners work together to develop trust and understanding through shared experience. The Working Party acknowledged the pressure from many in government and in the community for visible and specific action right now. This initial review has, however, demonstrated the need for ongoing development of particular streams of work to enable stronger relations to emerge and flourish.

In developing its proposals for the path forward, the Working Party identified:

- ④ a proposal for addressing, at a broader level, relations between Iwi/Māori and the Crown and the implications of the Treaty of Waitangi in government relations with communities and community organisations
- ④ a proposal that the Minister Responsible for the Community and Voluntary Sector should, on behalf of the current Government, issue a *Statement of Intent* making a commitment to a positive working relationship with community and voluntary organisations and setting out the principles on which government’s own attitudes and behaviour would be based.
- ④ a Phase Two relationship-building process, co-ordinated by a steering group, and comprising the following four themes or streams of work:
  - developing a participatory style of government
  - reviewing resourcing and accountability arrangements
  - supporting the strengthening of the community and voluntary sector
  - improving the ability of central government to understand and work with community organisations.

Actions proposed were developed either for immediate implementation or as part of an ongoing Phase Two work programme:

### **IMMEDIATE ACTION**

- ④ Steps that will contribute immediately to rebuilding effective relationships. These actions would have a positive impact, while also demonstrating the current Government’s good faith and commitment to change.

### **PHASE TWO PROPOSALS**

- ④ A broad and inclusive programme of actions requiring further development over time.

## The way forward: Phase Two Steering Group

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The Working Party considered there was a need for the Phase Two relationship-building work to be led by a Steering Group. The Steering Group would take responsibility for overseeing and monitoring the progress of specific work streams. Developing effective communications among all the parties involved – including feedback loops to Iwi/Māori, community and voluntary organisations, and ways of drawing on their expertise – would also be an important responsibility.

The Steering Group would be informed by an ongoing Officials' Reference Group and similar mechanisms for maintaining and developing strong links with organisations within the *iwi* and community sectors.

Officials and community representatives, aware of similar processes in other countries, were strongly of the view that political ownership and leadership are essential if real change is to be achieved. Working Party members agreed it is critical there should also be a regular forum for exchange of views between the Steering Group and interested Ministers.

The Working Party proposed that the Steering Group should comprise five members with the appropriate skills, knowledge and experience to provide leadership of the process. One member would act as Chair and spokesperson of the Steering Group and would take responsibility for co-ordinating the overall process. Three of the members would lead the proposed work streams. A further member would take responsibility for ensuring there is an Iwi/Māori focus across each of the work streams.

The work streams led by the Steering Group members would be the primary arena in which a wider group of government and community representatives would engage with each other to carry the relationship-building work forward. It is proposed that three working groups be established, focusing on:

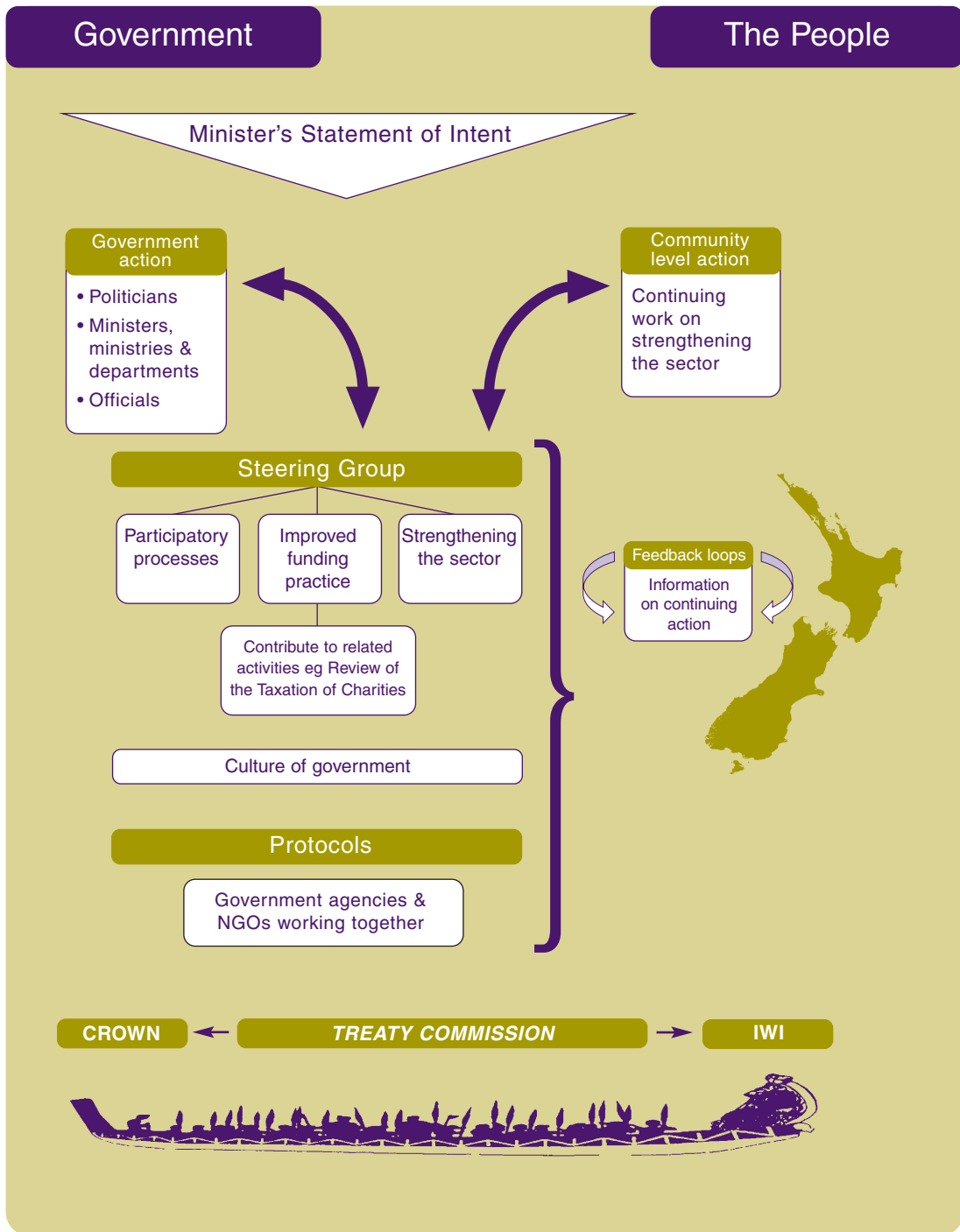
- ④ developing a participatory style of government
- ④ addressing government resourcing of community organisations and accountability issues
- ④ working with the community organisations to strengthen the community sector.

The Steering Group, and the Phase Two work programme, would be time limited, with a progress report to the Government in December 2001 and a final report in May 2002 indicating ways of ensuring the work is successful and ongoing.

The Working Party considered it essential that the Phase Two work programme be sufficiently resourced to enable effective involvement of all parties in this critical developmental phase. This would represent an upfront investment to achieve longer-term gains. The proposals outlined below assume a commitment by the current Government to supporting this work both through financial resources and political time, energy and leadership.

The recommendations for further action are outlined in the remainder of this section.

*Schematic Framework for Phase II*



## Government's Statement of Intent

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The Working Party:

- ④ considers the time is not right for a formal agreement between government and the community sector
- ④ believes there is an urgent need for the current Government to demonstrate its commitment to a new way of working with the sector
- ④ proposes that clear objectives for government agencies in restoring an improved relationship with the community sector be articulated through a formal Government *Statement of Intent*
- ④ suggests that such a *Statement of Intent* might include the following elements.

### **Introduction**

The *Statement of Intent* should acknowledge that:

- ④ there is considerable residual anger and mistrust in the community, arising from the experience of many people and groups in dealing with government over a number of years
- ④ Iwi/Māori, community and voluntary organisations play a unique and vital role in New Zealand society

The *Statement* should recognise that:

- ④ an independent and vibrant community sector is essential to the functioning of a healthy civil society and the organisations of the sector are entitled and obliged to represent freely the interests of their members
- ④ at the same time, the interdependence of government, Iwi/Māori, community and voluntary organisations is also vital to government in achieving its goals of social participation, social equity and strengthened communities.

### **Principles**

The *Statement* should affirm that a future relationship between government and the community sector must:

- ④ be a Treaty-based relationship
- ④ recognise the independence of the community sector
- ④ enable the mutual interests of both government and the community sector to be achieved through co-operation

- ④ demonstrate effective two-way communication
- ④ involve leadership from government Ministers and from within the community sector itself
- ④ acknowledge and support the positive role played by umbrella, national and strategic collective bodies
- ④ embrace innovation and creativity
- ④ be based on public accountability and appropriately flexible good practice standards.

### **Values**

The *Statement of Intent* should also affirm that the following values are at the heart of a robust and respectful relationship:

- ④ honesty
- ④ trust
- ④ recognition of diversity
- ④ integrity – *tika* and *pono*
- ④ compassion and caring – *aroha* and *manaakitanga*.

### **Intention**

To restore the basis for a better relationship, the current Government should make a commitment to ensuring that government agencies give priority to:

- ④ valuing and understanding the contribution of community, voluntary and Iwi/Māori organisations
- ④ building effective working relationships and partnerships between these organisations and government.

### **Path forward**

- ④ Good relationships are built on trust, appreciation of different points of view and shared effort over time. To make real progress towards achieving an effective relationship between government and the community sector, government will need to make a clear commitment to implementing the Phase Two relationship-building proposals throughout 2001 and 2002.

## The Treaty of Waitangi and Crown/Iwi relations

### OVERARCHING RECOMMENDATION

The Working Party proposes that the Government consider establishing a high-level, highly mandated body such as a **Treaty of Waitangi Commission**, with representation of the Crown and *iwi*, to consider the Crown/Iwi relationship and advise on future directions. The Commission could consider such issues as *iwi* self-determination, constitutional change and ways of implementing agreed outcomes.

### IMMEDIATE GOALS OF THE TREATY OF WAITANGI COMMISSION

The Working Party proposes that the Treaty Commission's considerations should include:

- ④ reviewing implementation of the recommendations of *Pūao-Te-Ata-Tū*
- ④ developing an education programme to improve understanding of the Treaty of Waitangi
- ④ developing good practice models based on a Māori world view, rather than a Māori 'perspective', to improve the performance of government agencies
- ④ developing through independent external review more effective Treaty audits of law, policy and practice in the state sector
- ④ considering issues such as direct Crown funding to Iwi/Māori health and social service providers, enabling Māori to determine their own needs, service responses and accountability measures.

### THE WAY FORWARD: PHASE TWO RECOMMENDATIONS

The Working Party also recommends that, to improve the relationship between government and Iwi/Māori organisations providing services in the community, the Phase Two Steering Group should:

- ④ facilitate development of resources to assist community organisations to introduce and use mechanisms such as responsiveness to Māori plans, Treaty audits and inclusion of Treaty components in social audits
- ④ take action to address inequitable funding arrangements which impact negatively on Iwi/Māori providers compared with other providers
- ④ improve intersectoral approaches to Iwi/Māori strategies and programmes to create a more holistic approach to service delivery
- ④ ensure an independent review is undertaken of Iwi/Māori providers to establish a 'snapshot in time' that identifies their capacity, delivery effectiveness and capacity to meet the relevant needs of Māori
- ④ create a Māori-defined and accessible complaints process for Iwi/Māori providers and government relations, including establishment of a monitoring process for the complaints and their outcomes so that this can be used as a tool for measuring institutional racism.

## Government and Community Sector Relationship The way forward: Phase Two work programme

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### Developing a participatory style of government

#### **IMMEDIATE ACTION**

The Working Party recommends:

*That the Government should:*

- ④ fund a community-based organisation to develop and maintain a database of Māori, Pacific and community people available to undertake policy and research work in public sector processes and projects.

*That all ministries and departments should:*

- ④ ensure that Māori, Pacific and community sector experts are routinely considered alongside other specialists when policy and research skills are sought for particular projects
- ④ ensure officials are clear that advice prepared for Ministers should include consultation with Iwi/Māori, community and voluntary organisations and that the extent of any such consultation should be signalled in Cabinet papers
- ④ complete a stocktake of current methods of engaging with the public (including gathering feedback from different kinds of community organisations) to identify the strengths and weaknesses
- ④ review use of 0800 number services, noting a need for:
  - prompt human pickup for the initial contact
  - prompt access to a skilled, knowledgeable person to respond to queries
  - alternative forms of communication when access to a telephone is restricted e.g. rural communities.

## **PHASE TWO ACTION**

The Working Party recommends:

*That the Government should:*

- ④ provide regular information on the social state of the nation through a mechanism such as an annual report on significant indicators and trends
- ④ ensure that information on social indicators links with ongoing development of measures for reporting on environmental and fiscal health
- ④ in the context of the current reform of the Local Government Act 1989, work with local government and the *iwi* and community sectors to ensure ongoing improvement of community engagement processes in strategic planning and development of central and local government policies and services at the local and regional levels
- ④ ensure that the resourcing available to government agencies for engaging with *iwi* and community sector representatives is sufficient to enable officials to participate effectively, giving the relationship the respect it deserves
- ④ ensure government agencies proactively develop effective mechanisms for collaboration across policy development and service delivery to facilitate 'joined-up government'.

*That the Phase Two Steering Group facilitate:*

- ④ a substantial training programme for officials and improved processes in government agencies for engaging *iwi* and community organisations in policy development
- ④ social, economic and environmental audits of government agency policies and activities as part of their annual review processes
- ④ a programme of regional fora, *hui* and fono for politicians (Ministers and Members of Parliament) and their departmental chief executives to engage in dialogue with *iwi* and community organisation representatives
- ④ work with local government and community organisations to facilitate the exchange of successful local engagement and decision-making models and practice.

*Implementation tool:*

Development of a consultation protocol.

### Reviewing resourcing and accountability arrangements

#### **IMMEDIATE ACTION**

The Working Party recommends:

(A) *In regard to the administration of government funding for community organisations:*

- ④ funding commitments of less than \$30,000 should become grants, with reporting requirements appropriate to the level of funding
- ④ as a contracting standard, there should be a presumption of three- to five-year funding, with periods of less than three years requiring explicit justification – for instance, shorter-term funding might be appropriate where new initiatives are being tested or piloted or where the project itself is less than three years in duration
- ④ payments by government to *iwi* and community organisations should be made in accordance with the contract schedule, with any late payments carrying a penalty fee at of Inland Revenue rates
- ④ contracting practices should include negotiations conducted in good faith, with the inclusion of performance measures of value to both parties, recognising that this may require resourcing for training for both the funding agency and the contracting community organisation
- ④ departments should involve *iwi*/Māori, community and voluntary organisations in reviewing processes for managing contract disputes
- ④ all contracts with *iwi*/Māori, community and voluntary organisations should allow for a component that recognises the administrative and other overhead costs to the organisation, including support for volunteers, staff training and organisational development
- ④ government departments should report to Parliament only on the proportion of service purchased or funded i.e. departments should not claim 100% responsibility where there has been only a partial contribution to the cost of delivering the service.

(B) *In regard to the location and availability of funding:*

- ④ the Community Organisation Grants Scheme (COGS) allocation should be immediately increased from \$10 million to \$15 million with subsequent increases over the next three years to \$20 million
- ④ the Contributory Funding pool currently managed within the Department of Child, Youth and Family should be reviewed and the bulk of the allocation transferred to an agency able to ensure a focus on supporting community-initiated activities.

### **PHASE TWO ACTION**

The Working Party recommends:

- (A) *That the Phase Two Steering Group should establish a work stream led by a group comprising officials from key government funding agencies and iwi and community representatives to:*
- ④ draw together recent work by Treasury, the State Services Commission and the Ministry of Social Policy
  - ④ review existing and potential government community funding arrangements and their effectiveness in meeting the objectives of government and community partners
  - ④ consider the interests of particular groups: Iwi/Māori, larger service providers, smaller community groups and others
  - ④ consider the distinct interests of service providers and service users
  - ④ consider the appropriateness of current funding in relation to provision of information, policy and advocacy, training and accountability roles
  - ④ consider options for improving accountability and reporting
  - ④ develop specific proposals for addressing the particular concerns of Iwi/Māori and other organisations
  - ④ develop good practice models
  - ④ monitor and advise on process improvements arising from the above.

*Implementation tool:*

A protocol for government funding of community organisations.

- (B) *That, in consultation with the community sector, the Government should work with other community funding bodies to:*
- ④ develop and share good practice models of funding decision-making
  - ④ address other related issues such as appointments to community funding bodies
  - ④ explore the interface issues between private sector funders, community trusts and state funding agencies.

develop a strategy for investing in the community sector, including specific commitment to resourcing umbrella, national and strategic groups as appropriate across the sector.

(C) *That the Steering Group should:*

- ④ work with national, umbrella and other strategic groups to facilitate the strengthening of an independent and viable community sector
- ④ work with community organisations to facilitate involvement in problem solving and planning at the local level.

## Government and community sector relationship The way forward: Phase Two work programme

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### Building the capacity of government agencies to engage with community organisations

#### **IMMEDIATE ACTION**

The Working Party recommends:

- ④ government agency recruitment practices should acknowledge experience working in and with *iwi* and community organisations
- ④ government agency induction and training programmes should include an introduction to relevant *iwi* and community organisations
- ④ government departments should ensure consistent messages are given by front-line staff to minimise the impression that the information provided depends on 'who you get in the office on the day'
- ④ government department relations with the public should be monitored to ensure that all New Zealanders are treated with respect, dignity and compassion.

#### **PHASE TWO ACTION**

The Working Party recommends:

- ④ development of a seminar series and other initiatives to improve understanding within government agencies of *Iwi/Māori*, community and voluntary sector aims, objectives, structures, accountability arrangements and operating realities
- ④ a programme of two-way secondments and exchanges between government departments and *Iwi/Māori*, community and voluntary organisations, with the proviso that this would be developed in a way that would not incur costs on community participants.

## Government and community sector relationship The way forward: Phase Two work programme

### Steering group

#### **PHASE TWO ACTION**

The Working Party recommends:

*Establishment of a five member **Phase Two Steering Group:***

*Comprising:*

- ④ a chair
- ④ three expert members who will lead the following work streams:
  - developing participatory policy and other processes
  - funding and resourcing
  - strengthening the sector
- ④ one member to lead a Māori-defined approach across all streams of work.

*Noting:*

- ④ members will include officials and community representatives
- ④ the Steering Group will second and involve other government and community sector representatives as required.

*Steering Group members will be responsible for:*

- ④ overseeing and monitoring the progress of working groups focusing on agreed sub-projects within the work programme
- ④ leading development of relationship protocols between government agencies and particular community organisations
- ④ supporting initiatives within the community sector to build relationships both with government and across the sector
- ④ ensuring a co-operative interweaving of the relationship-building work with other concurrent government, community and Iwi/Māori processes
- ④ facilitating understanding of the contribution of non-government organisations to a flourishing civil society
- ④ developing and implementing a strategy for engaging central and local government politicians in working with Iwi/Māori and community organisations
- ④ developing and implementing an effective communication strategy.

*Reporting to government as follows:*

- ④ interim report by December 2001
- ④ final report by 31 May 2002.

## Government and community sector relationship The way forward: Phase Two work programme

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### Action recommended on other specific issues

#### Taxation and accountability issues

##### **IMMEDIATE ACTION**

The Working Party recommends that the proposed Review of Taxation of Charities should proceed, and that the discussion document and consultation process should:

- ④ enable discussion on a modern and broad definition of 'charitable' purpose
- ④ take care to ensure that the complexity of the issues is presented in a manner that will enable a broad range of Iwi/Māori, community and voluntary organisations to understand the issues and participate in the discussion.

#### Relations with local government

##### **PHASE TWO ACTION**

The Working Party recommends:

- ④ that Phase Two of the relationship-building work programme proposed in this report should include a strategy to ensure that local government is involved, through the Steering Group and working groups, in specific projects and in any community consultation and engagement programme.

#### Relations with the business sector

##### **PHASE TWO ACTION**

The Working Party recommends:

- ④ that Phase Two of the relationship-building work proposed in this report should include a strategy to ensure that business groups are involved, through the Steering Group and working groups, in specific projects and in any community consultation and engagement programme.

## Government and community sector relationship The way forward: Phase Two work programme

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### International relations

#### **IMMEDIATE ACTION**

The Working Party recommends:

- ④ relevant government ministries and departments should establish mechanisms and processes to enable:
  - the prompt dissemination of information on international commitments and expectations to all relevant parties
  - meaningful input by organisations within the *iwi* and community sectors into national reports to international bodies and the development of official New Zealand policy positions for international fora
- ④ such mechanisms and processes should:
  - be based on separate, parallel approaches for *iwi* and for the community sector
  - be Treaty-based, with *Iwi/Māori*-defined processes for *Māori*
  - be developed jointly, not just determined by government
  - allow for meaningful input into policy development from the beginning, and not just in response to government positions that have already been formulated
  - include provision for adequate resourcing to cover the costs of consultation and participation
- ④ the revised guidelines covering the participation of non-government organisations in official delegations in the international arena should be reviewed in discussion with government and interested *Iwi/Māori* and other non-government organisations
- ④ where the benefits of linking with international bodies can be clearly shown and there are no other funding sources available, relevant government ministries and departments should, for the organisations in their sphere of interest, give full consideration to covering costs of affiliation to those international bodies and of participation in key international events.

## Government and community sector relationship

### The way forward: Phase Two work programme

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#### Research proposals

The Working Party considers that research and information about the community sector would be enhanced by pursuing the following proposals:

##### **Membership and participation**

*Key question: Who participates in the community sector and why?*

This might cover: How extensive is 'overlapping' membership between organisations? Are there 'joiners' and 'non-joiners'? What are the motivators, enablers and barriers to participation and membership? Are there differences between leaders, active members and nominal members? What is the role of community organisation participation in supporting democracy and active citizenship? What are the impacts of participation on members and their perceptions of their role? What is the difference between membership that is energising and sustainable, and membership that is demotivating and leads to burnout?

##### **Nature of the Iwi/Māori 'manaaki' sector**

*Key question: What is the nature of this sector?*

This might cover: What is the 'size' of the sector? Who participates? What is the range of activity involved? What are the critical Māori cultural and institutional support systems for this activity? How is this activity changing over time? What are the current trends and influences?

##### **Nature of Pacific peoples' community sector in New Zealand**

*Key question: What is the nature of this sector?*

This might cover: What is the 'size' of the sector? Who participates? What is the range of activity involved? What are the critical cultural and institutional support systems? How is this activity changing over time? What are the current trends and influences? What are similarities and differences between each Island grouping?

##### **Small community organisations**

*Key question: What are the particular demands and issues facing small, 'flax-roots' groups – especially those relying entirely on volunteers?*

This might cover: Are there unique coping strategies of small organisations? Are there particular management and governance needs? Are there effective strategies for coping with 'economies of scale' that could be shared? Are there advantages in remaining small and avoiding the pressures that accompany increases in size?

*(continued)*

### **Nature of the informal community sector**

*Key question: What is the nature of the informal community sector in New Zealand?*

This might cover: What is the estimated size of the sector (number of 'groups and networks')? What is the range of activities involved? How are they funded?

### **The history of the community sector in New Zealand**

*Key question: What have been the key trends in the development of the community sector in New Zealand?*

This might cover: What were the social/historical origins of the sector in New Zealand? Have there been clear phases in its development? Who have been the players? What have been the key internal drivers? What have been the external influences? What have been and are the relationships between the Iwi/Māori, pakeha, Pacific peoples' and other strands? How does the community sector in New Zealand compare with the non-government sectors of other countries?

### **The role of churches and other faith-based communities**

*Key question: What contribution has been made by the churches and other faith-based communities to the community sector in New Zealand?*

This might cover: What has been the role of the churches in the development of the community sector in New Zealand? How does this compare with the non-government sectors of other countries? What has been the contribution of churches and faith-based communities to: volunteering, charitable giving, development of organisations at the local community level? What are the current trends? Are there differences across Māori, pakeha, Pacific peoples' and other communities?

### **Fund-raising**

*Key question: How do community organisations in New Zealand raise funds and contributions 'in kind'?*

This might cover: What actually happens? Are there differences between different types of organisations? Can we establish guidelines for best practice?

### **The nature of charitable giving to the community sector in New Zealand**

*Key question: Who gives, how much and why?*

This might cover: spread and concentration, the relationship between volunteering and donating, the demographic characteristics of 'givers' and 'non-givers', and of 'major givers' and 'minor givers'. The research might explore the proposition that there is a small 'civic core' that does most of the giving. Are there any trends? Are there identifiable cultural differences in giving? What are the motivators, enablers and barriers to giving?

(continued)

### **The viability of the social services sector**

*Key question: Given that government is very dependent on the community sector for delivery of essential social services, what is the current viability of the community social services sector in New Zealand?*

This might cover: What information is available at present? What can new research tell us about current viability? What are the trends? What does this information tell us about the appropriate action to be taken by government in supporting the sector?

### **The economic contribution of the community sector to New Zealand**

*Key question: What is the extent and value of the contribution?*

This might cover: What are the resource flows in and out of small and large community organisations? Is there information available about the different 'sub-sectors': social services, sport and recreation, environment, emergency services, arts, culture and heritage, etc? Can we extend understanding of the value of the unpaid contribution made by people in community organisations? What do we know about the sector as an employer of paid staff? What would be the consequences for government (and New Zealand society) if community organisations ceased activity? What does this information tell us? How could information about the economic value of the contribution of community organisations be improved?

### **The contribution of the community sector to civil society in New Zealand**

*Key question: What is the extent and value of the contribution?*

This might cover: What information is available at present? What information is there about the different 'sub-sectors': social services, sport and recreation, environment, emergency services, arts, culture and heritage, etc? What does this information tell us? How could this information base be improved? What are the links between this information and international civil society research?

### **Leadership – in the community sector**

*Key question: What is the nature of leadership in the community sector?*

This might cover: Who are the leaders? What are their characteristics? What are the pathways into leadership? What are the motivators, enablers and barriers to leadership in the community sector? Are there trends? The research might explore the proposition that there is a leadership succession crisis in the community sector.

*(continued)*

### **Partnerships: Case-studies and positive models**

*Key question: What are the elements of successful partnerships?*

This might cover: partnerships between community organisations and central and/or local government, partnerships with businesses, and partnerships, collaboration and networks within the sector between community organisations. What works? What doesn't work? What are the motivators, enablers and barriers?

### **Treaty-based partnerships: Case-studies and positive models**

*Key question: What are the elements of successful Treaty-based partnerships within the community sector?*

This might cover: What information is there about partnerships between community organisations and Iwi/Māori organisations? What works? What doesn't work? What are the motivators, enablers and barriers?

### **Advocacy, innovation and service-delivery functions**

*Key question: Is there an optimal balance among these roles?*

This might cover: What are the elements of client and policy advocacy? What works and doesn't work? What are the trends, motivators, enablers and barriers?

### **Governance arrangements**

*Key question: What governance arrangements are used in New Zealand?*

This might cover: What are the trends? What actually happens in community organisation boards and committees in New Zealand? What helps and what hinders a successful board or committee? What value is added by different governance arrangements – in terms of: strategy? income generation? achieving outcomes? enhancing civil society/social capital? Who sits on boards and committees? Why are they there? Who is not likely to be there?

### **Accountability systems and processes**

*Key question: What is the nature of accountability in the community sector in New Zealand at this point in time?*

This might cover: What are the models of accountability? To whom are organisations accountable? For what? In what ways? What works or does not work? For those organisations dependent on government funding, what are the tensions in managing dual accountability? What are the motivators, enablers and barriers to effective accountability systems?

*(continued)*

### **Management practices and trends within the community sector in New Zealand**

*Key question: What is the nature of management practice in the community sector in New Zealand?*

This might cover: What are the key patterns? Are there identifiable models? Are there differences across the sector? Are there trends? Is there an approach that could be viewed as particular to the community sector in New Zealand? What has influenced management practice in the sector? Have private sector practices and trends influenced the sector? Have public sector practices and trends influenced the sector? What are the skill strengths of community sector managers? What are the skill deficits of community sector managers? What training is available?

### **The community organisation life-cycle**

*Key question: What are the factors involved in the emergence and decline of community organisations?*

This might cover: Are there identifiable characteristics in those organisations that continue and adapt to changing circumstances? Are the 'birth' and 'decline' of organisations unavoidable phenomena? What facilitates community organisation formation and sustainability?

### **Evaluation and review**

*Key question: What evaluation and review of practices currently take place in community organisations in New Zealand?*

This might cover: What approaches, tools and resources are used? By what types of organisations? Where are the skills found? What are the training needs in this area? In what other ways do organisational learning and change take place? What else helps or is the source of organisational change?

## Working Party membership

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**Dorothy Wilson (Chair)**, a former Deputy Mayor of Waitakere City, is currently a consultant in sustainable development and change management.

**Sandra Alofivae** serves on the Board of Presbyterian Support Northern, lives in Manukau and is a youth advocate and solicitor.

**John Angus**, a former social worker, is a senior official with the Ministry of Social Policy managing family and community policy.

**Don Clarke** is the NGO Programme Manager in the Development Co-operation Division of the Ministry of Foreign Affairs and Trade. Don is a former Executive Director of the Council for International Development, and was Deputy Director of the Commonwealth Foundation between 1995 and 1998.

**Enid Leighton** (Ngāti Awa, Te Whānau-a-Apanui) is the General Manager of Ngāti Awa Social and Health Service, lives in Whakatane and has a background working in disability support services.

**Malcolm Peri** (Te Rārawa) is a counsellor, has worked in community-based Māori social services for many years and is now based in Te Tai Tokerau.

**Atareta Poananga** (Ngāti Porou, Ngāti Kauwhata, Rangitāne, Whānau-a-Apanui, Ngāti Kahungunu, Ngāi Tahu) is a community lawyer, Gisborne District councillor and trustee of Te Rūnanga o Ngāti Porou and has experience working among *whānau*, *hapū* and *iwi* on social, economic and political issues.

**Sir Paul Reeves** (Te Ātiawa), former Governor-General of New Zealand, has expertise in constitutional and civil society matters and is acknowledged for his work in church, community and voluntary groups.

**Donald Shand** is Programme Coach in the Department of Internal Affairs Community Development Group and has been involved in community development for many years.

**Jenny Smith** is a senior community worker with the Christchurch City Mission and initiated the development of Te Whare Roimata, a grassroots development organisation that works with inner city residents.

**John Stansfield** is the founder and programme leader of UNITEC Institute of Technology's Graduate Diploma in Not-for-Profit Management, a Waiheke Island resident and a specialist in social auditing.

**Pam Warren** is the Executive Officer of the Dunedin Council of Social Services and has extensive networks in the rural community.

### Secretariat

**Katherine Baxter** – Community Policy Manager, Ministry of Social Policy

**Hugh Lawrence** – Senior Policy Analyst, Ministry of Social Policy

**Sandra Wasley** – Executive Assistant, Ministry of Social Policy

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