

**Date:** 19 July 2013

**Report to:** Regional Chief Executives Forum

**From:** Environmental Management Futures workshop steering group (Bill Dyck Envirolink Co-ordinator, Steve Markham TDC, Graham Sevicke-Jones GWRC, Beat Huser WRC, Gary Bedford TRC [and other members of the Resource Managers Group,] with support from Glen Lauder, CommonGround)

**Subject:** **Proposal for Review of Regional Sector's Knowledge-building and Responsiveness Capabilities for Environmental Management and other challenges**

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## **1 Purpose**

This report is to propose a value case to the Regional Chief Executives Forum for the recommended review of the regional sector's arrangements for strategic and operational knowledge-building and responsiveness by all tiers of practitioners, across and beyond environmental management. This review has the proposed value of improving the sector's capabilities and successes in its statutory responsibilities and strategic effectiveness, not only for environmental management, but across all its business and in time, across the local government sector at large.

## **2 Context** *Challenges*

The regional sector within New Zealand's wider local government sector currently has a set of structures at various tiers of responsibility to provide support and collective development in professional practices through information and advice to the 16 regional councils and unitary authorities. There are at least 19 practitioner groups that seek to build on the decades long history of intelligence from council practices and information systems within the broad arena of environmental management, to deal with issues and needs at an advisory level for the sector. While these groups have operated in these ways, the sector at large faces significant challenges.

The pace of change for the sector is increasing, with environmental management issues showing growing complexity, uncertainty and contestability. There are multiple physical and community drivers for these issues, with time-spatial patterns of change aggravating many environmental risk profiles. The legal mandates are evolving in this way as well. Examples of these challenges abound – climate risk responses, integrated freshwater – catchment – coastal management, bio-resources, urban and infrastructure environmental footprints, better decision and delivery systems under the LGA and the RMA, and so on. Our situational understanding and adaptiveness is pushed by the pace and directions of change in our operating environment. The understanding and application of systemic approaches in responding to issues, can link the content and context of related management challenges.

The technical skills and experiences of the professional practitioners employed in the sector support a significant library of practice knowledge across the regions, but this is a resource largely within individuals, who influence the capture in hard systems, and where succession, support and utilization are variable despite the public investment in this knowledge. Harvesting this knowledge resource presents an ongoing challenge.

The 16 regions operate as somewhat partitioned decision-making entities, at the governance and management levels, for responses to environmental challenges. The reality is that there are drivers and linkages across all issues, and all regions. Under the statutory devolution of governance, the regional and territorial sectors operate as multiple cultures and systems of entities – councils, sectors, communities. We yield local solutions, but the patterning of these may be incoherent or inefficient, from either a top down or a bottom up perspective. A current theme is the government's programme of law reform to seek greater standardisation of council operations leading to planning instruments and reporting routines. This move by the state accentuates the challenge of showing the cases for variation in formal management responses.

So a particular set of challenges is in the relationship and influence that the sector can bring to bear on central government proposals. These relate to our collective ability to anticipate, evaluate and respond or initiate, across the state sector's ideas and actions, in ways that add value and minimize risk for regional operations in environmental management arising from this source of change.

The themes of central government – regional sector relationships, community expectations and process, and the nature of decision-making for natural resources, environmental values, and the broader machinery of regional governance, all pose questions about how the regional sector could or should develop its collective knowledge and ability to respond and take action.

#### *Risk and opportunity*

The 19 odd special interest groups (SIGs) at present carry out largely single disciplinary-led inquiries, compete for research dollars, and within each SIG, for the time to collaborate. There are limited incentives to actively work across the dimensions of the science, policy and delivery challenges. Research driven by or for SIGs under the Envirolink programme is focused on applied biophysical sciences (most SIGs have this focus), and the research outputs do not always support policy decision-making or its delivery. The tiering of the Regional Chief Executives Forum, the Resource Managers Group (RMG), and the SIGs reinforces a hierarchical mode of thinking, communications and actions. Responsiveness to themes of challenge is at question.

Systems of organization are highly variable among SIGs, with uneven mandates, links in the tiering with RMG and RCEF, and in their support by individual councils. The role and influence of Local Government New Zealand (LGNZ) alongside the sector's practitioner networks The individual SIG and current collective efforts may not be up to the environmental management challenges to be faced.

There are opportunities for developing better systems of knowledge-building and sharing to optimise management efforts, where both general and situation-specific solutions may be found or refined. While the professional disciplines within SIGs and the management tiers occupy niches, they have contributions to be melded with networked communication, mediation and transfer of knowledge across all these players.

These opportunities include prioritizing methods and tools for understanding and decision-making with the right focus, scope and scale, that work across frameworks for the sciences, engineering, planning risk, legal and social process knowledge. They also include supporting and expecting a much more actively networked culture across different cells of knowledge, to capture the necessary scope of understanding and evaluation for the provision of information or advice to whatever need is agreed as relevant and important. The logistics of such networking pose both challenge and opportunity, with constraints of money, time and availability of knowledge, and resources of online technology and collaborative commitment.

The strategic role of research investment in building end to end operational knowledge, could be actively monitored for relevance, coverage, priority, and to avoid user, provider and content capture in our competitive and constrained funding system, that includes individual regions' ability to spend for research.

#### *Direction of travel*

Within the sector, networked discussion about challenges and opportunities extends back to its collaborative experiences with the government-supported Land and Water Forum, and initiatives following the National Policy Statement for Freshwater Management 2011. These include the 2011 review of the sector interest groups' research priorities and needs, the Forum's water working group and its more recent agreement to support a science-policy taskforce to enhance implementation of the freshwater policy statement. There are other systemic change drivers – law reforms, local government reorganisation, growing funding constraints, and successional turnover at both management and other professional tiers. There is a developing awareness of the need and opportunity for better self-management by the regional sector, in the context of national and local pressures for more effective development of management responses, approaches, tools and working relationships. This means taking on a sharper vision, stretching our collective thinking and behaviour, and placing greater trust in able networks to operate in adaptable ways, rather than through a single mode of operation.

A small informal group from the sector designed and ran an interactive workshop on environmental management futures for the sector in late June, with invited participation from SIGs and RMG, and with RCEF attendance.

The workshop agreed that there was great value in seeking a mandate from the Forum for a review of the structural and operational arrangements of all SIGs, including the role of the RMG, in order to better meet future challenges for environmental management practices across the sector. The workshop participants saw this as an unpacking and repacking exercise, with opportunities for greater systems thinking, avoiding silo practices, and better integration, collaboration and responsiveness. The aim of this review is to lift the performance of the sector, by supporting the strengths of the SIGs that have made them effective to date, and enhancing their contributions to developing strategic and operational knowledge for the sector.

This report presents a value proposition or business case for such a review. This review is simply the catalyst to enable an integrated regional sector to improve its game, by drawing on the values across the wide range of SIGs, and reshaping the mandate, culture, structure and logistics for this practitioner network.

#### *Review business case summary*

The **value proposition** of the proposed review of structural and operational arrangements of all practitioner networks in the regional sector is:

- i. the enhanced understanding of risk and opportunity in the ways the sector currently operates, in the light of current and emerging environmental and other management challenges, as identified;
- ii. the sector's confidence, commitment and capability to introduce more effective and efficient ways of improving its understanding through knowledge-building and its collective responsiveness through the environmental management practitioner networks, in the light of such challenges;
- iii. the benefits of achieving a more powerfully informed, capable and adaptive regional and in time, territorial sector in environmental and other management challenges.

The **risks** in the absence of this review are poorly understood, and are considered by the authors of the report and supporters of this review, to be unacceptable in comparison with

the benefits of acting, as offset by the investment cost of both the review and the likely band of costs of new arrangements.

The **cost** of this review includes the time and knowledge contribution of the entire network of practitioners and managers to be engaged, and that will participate in the actioning and support of new arrangements, as well as any additional cost of logistical support for these changed arrangements.

### **3 Proposed Review of Regional Sector Arrangements for Environmental Management Practice Support**

#### *Vision for Review*

We propose the following vision relating to the regional sector in focus, and in time, the local government sector at large, in relation to environmental management and other challenges, as the context and driver for this review:

#### **The sector has:**

- **End to end systemic understanding, relationship development and decision acuity across all environmental management challenges across all regions**
- **Virtual, dynamic intelligence across the web of environmental values, risks and management influences as effective approaches, methods, instruments, and processes, operable across time and spatial scales and organisational systems**
- **Networked engagement across the regions to evolve excellence and optimised efforts on all strategic and operational practices for sustainable environmental management**

#### *Review goals*

- 1 The sector's professional and management network defines and takes up opportunities for improved solutions to the following challenges:
  - Integration of framework approaches, methods and instruments within and across the regions' environmental management practices and disciplines
  - Understanding, evaluating and responding strategically and adaptively to complex and uncertain issues
  - Systems of knowledge-building, sustaining and sharing to optimise management efforts within and across the sector, and that clearly account for varying responses to common management issues
- 2 The sector's solutions are shared and integrated across the whole of local government.

#### *Review objectives*

To review the barriers, opportunities, implementation needs and integrated delivery process for:

1. **Mandates:** a clear set of mandates for practitioner networking groups or SIGs, including scope of action, accountabilities, resource allocation, and review mechanisms
2. **Culture:** efficiently operating, collaborative professional practitioner networks with improving transdisciplinary and systemic as well as analytic capabilities and technical excellence, focussed on collective knowledge harvesting, and that inform authoritatively any executive decisions or actions across or within the sector

3. **Structure:** appropriately collegial rather than hierarchical arrangement of groups of practitioner networks, that can integrate and share knowledge across the scope of current themes of environmental management challenge or practice need, and effectively adapt to emerging challenges
4. **Logistics:** adequate and efficient resourcing of practitioner network actions under Objectives 1, 2 and 3, through information technology, interaction time and motion, research that is responsive across the needs for end to end management operations, priority supported across the sector, and with adequately transparent, accountable and proportional funding arrangements, in relation to themes of challenge.

#### *Review actions and process*

##### **Action 1: Review setup**

14 August 2013 or subsequent: A decision by the Regional Chief Executives Forum to support the review through a small taskforce of Forum members, RMG and SIG leaders, tasked with the terms of reference for this review developed from this report, and carrying out the actions in the following steps.

##### **Action 2: Review inquiry**

September 2013 to December 2013: Review inquiry and evaluation and synthesis of opportunities

Review Taskforce engages with current SIGs, other council staff teams, RMG and Regional Chief Executives Forum; to develop documented findings and assessment of preferred opportunities to achieve the four review objectives.

##### **Action 3: Review reporting**

February 2014: Review Taskforce reports to the Regional Chief Executives Forum with review findings and recommendations including an implementation plan, for adoption by the Forum, and councils' ratification where appropriate.

##### **Action 4: Review implementation**

Post February 2014: Sequenced implementation of new arrangements under the implementation plan by or through the Regional Chief Executives Forum, under any transitioning to the new arrangements, including logistical requirements.

## **RECOMMENDATION**

We recommend that the Regional Chief Executives Forum:

1. **approve** the carrying out of the proposed Review of the Regional Sector's Knowledge-building and Responsiveness Capabilities for Environmental Management and other challenges, under the terms of reference as outlined in this report
2. **assign membership** to the Review Taskforce, if necessary through advice from RMG and SIG conveners
3. **decide** on any review resourcing needs to assist the Review Taskforce
4. **note** a report timeframe of February 2014 from the Review Taskforce.

Draft 1 19 July 2013