

McGuinness, Wendy

MCGUINNESS INSTITUTE

6 Other Comments

Would you like to comment on any other aspect of this draft 10 Year Plan?

Please see attachment.

17 April 2015

Queenstown-Lakes District Council
Private Bag 50072
Queenstown 9348

To whom it may concern,

Submission: The Council Long-term Plan 2015–25 (LTP)

Please accept the following letter and attachments as the Institute's submission on your council's long-term plan. The McGuinness Institute is a non-partisan think tank working towards a sustainable future, contributing strategic foresight through evidence-based research and policy analysis.

We welcome this opportunity to put forward a few ideas and observations that we hope will prove useful as you and your community work together to develop a long-term plan. This submission takes the form of an overview of our recent work. It is not a prescriptive document, and we have not made specific recommendations. We consider the projects described below may provide a useful context on certain issues when finalising your long-term plan.

Our flagship project, *Project 2058*, began in 2008 and focuses on where we want New Zealand to be in 50 years. Therefore, our research is conducted primarily with long-term issues in mind. Our 2015 work programme is based on our observations from 2014 and can be found on the McGuinness Institute website. We believe that if we want New Zealand to be in a better position in the long term, we need to think local – hence this submission. If you have any questions or queries, please do not hesitate to contact me.

Three years ago we provided councils a standard submission, much like we have done today. Firstly, I would like to thank those councils that provided feedback and engaged with the Institute over the last three years. The value of the submission process rests in part in receiving input from many different voices within the community. It should be noted that some of our projects and publications were developed in collaboration with others and reflect the ideas of a wide range of people as a result. All documents mentioned are either attached or can be found on our websites listed at the end of this letter.

This submission builds on the following workshops and projects:

1. *The LocalNZ and LivingStandardsNZ workshops* – the 10 recommendations put forward by youth participants who attended *LocalNZ* – a four-day workshop held in Wanganui and Wellington in 2014 and the 'Living Standards Metaphor' articulated by the participants of the *LivingStandardsNZ* workshop held in December 2013.
2. *Project StrategyNZ* – The findings of *The Government Department Strategies Index 2015*.
3. *Project One Ocean* – The recommendations of a recent report, *Report 10: One Ocean: Principles for the stewardship of a healthy and productive ocean*.
4. *Project TalentNZ* – The need to create a talent-based economy.
5. *Project Pandemic Management* – The need to prepare and protect our communities.

1. LocalNZ workshop: The 10 recommendations by participants

Our November 2014 workshop, *LocalNZ: Connecting youth committed to local government*, brought together 35 young people from throughout the country. This workshop was run in collaboration with the New Zealand Treasury, Wellington City Council and the organisers of the *A Place to Live* conference (the MacDiarmid Institute and Victoria University of Wellington, in association with the Royal Society of New Zealand, Wanganui District Council and the Whanganui River Maori Trust Board). Participants were tasked with answering the question: *How do regional goals align with national goals, and how might these goals need to change in order to aid regional growth?*

The 35 young people that attended were extraordinary; they were enthusiastic, inquiring and committed New Zealanders ready to engage and support their local communities. The end result, the *A Youth Statement on Regional Goals* booklet, is testimony to their hard work. We have provided a copy of the booklet for this submission as well as enough copies for your mayor, chief executive and councillor's. Below are the 10 recommendations outlined in the booklet (see pages 5–7 for further explanation):

1. Introduce creative information flows between local and central government.
2. Fresh thinking about how local government generates its revenue and matches its expenditure is needed.
3. Develop a deeper understanding of nature in order to have a healthy economy.
4. Harness what regions offer to quality of life.
5. Embrace the differences between regions and the unique qualities each region has to offer.
6. Central government should work harder to enable local government to sustainably make the most of its resources.
7. Tailor the education system for each region.
8. Visionary leadership is needed to benefit the regions, both in central and local government.
9. Build stronger relationships between representatives (MPs and councillors) and government (central and local) through integrity, trust and mutual respect.
10. Introduce the mokopuna clause.

You may also be interested in our December 2013 workshop, *LivingStandardsNZ: Aligning public policy with the way we want to live*, which emphasised the urgent need to better connect young people with their dreams and ambitions. One of the outputs from this workshop was the *2013 Youth Living Standards Framework for New Zealand*; I encourage you to read the 'Living Standards Metaphor' on page 5 of the booklet. Learn more about the workshop at www.livingstandardsnz.org.

2. Project StrategyNZ: Learning from The Government Department Strategies Index 2015

The Institute believes the strategies of central government should be easier to access, evaluate and build upon, particularly as these strategy documents shape and dictate the actions of local councils and community organisations. *The Government Department Strategies (GDS) Index 2015* website contains:

- The *Methodology*, which includes an explanation of our analysis using a scorecard. This scorecard could be used to evaluate the long-term plan itself.
- The *Profiles*, including (a) a link to each GDS document in operation as at 30 June 2014 – affectively creating a single source to access strategies published by any central government department and (b) an assessment of each GDS's content, describing what the strategy document does well and what it does not (published on each GDS profile).
- The *Strategy Wheels*, which illustrate how a core strategy drives more specific strategies and operational plans.
- The *Tables*, which rank each of the GDSs against each other.
- The *Observations*, including a list of seven key messages and examples of good practice.

We believe *The GDS Index 2015* is the first of its kind worldwide and that it provides a valuable set of tools for councils to use to ensure their long-term plan aligns and builds on central government thinking and initiatives. You also might like to consider reporting to constituents on how the long-term plan links to other strategies and plans through an illustration of a strategy wheel.

We also consider the scorecard might be a useful way to stress test the content of the draft long-term plan. The six high-level elements that we believe should be included in all strategy documents in the public arena are discussions on (i) opportunities and threats, (ii) capabilities and resources, (iii) vision and benefits, (iv) approach and focus, (v) implementation and accountability and (vi) alignment and authority. Learn more about these elements by reading the attached *Think Piece 21: Strategy Stewardship Matters: Utilising the government department strategies index*.

3. Project One Ocean: The recommendations of our recent report

The *One Ocean: Principles for the stewardship of a healthy and productive ocean* report discusses the role of the oceans in New Zealand's culture, economy and natural environment. It explores possible solutions to the challenges currently facing the management of human activities in New Zealand's marine space and recommends the establishment of ocean governance principles to guide decision making. Figure 1 below (Figure 9 in the report) illustrates the report's recommendations and puts forward three principles to help guide progress towards a shared 'vision' – a collective commitment which relies on the support of local government and communities. The full report is available to download on the Institute's website.

Figure 1: Relationship between the guiding for New Zealand's oceans, principles for governance and specific recommended management practices



In particular, the King Salmon decision indicates that community interests play a crucial role in long-term planning – not just in terms of land use but also in terms of coastal and marine estate use. The Institute was involved in the King Salmon decision, and our observations are written up in *Working Paper 2013/01: Notes on the New Zealand King Salmon Decision*.

4. Project TalentNZ: Creating a talent-based economy in New Zealand

The Institute believes that creating a talent-based economy in our local communities, and for New Zealand as a whole, is crucial. Creating a talent-based economy is not going to be easy, but councils should be considering

The Institute's *Menu of Initiatives* is designed for councils to review and consider. We recognise that each region, city and town has its own character, personality and skill set; therefore, the *Menu* has been designed with a range of initiatives to suit different contexts. The *Menu* website shows examples of these initiatives in action, so that councils can build tacit knowledge about how to personalise these for their own communities. You may be interested to know we are running two *TalentNZ: Menu of Initiatives* sessions at the New Zealand Community Boards Conference next month (14–16 May). We are also speaking on this topic at the World Futures Conference (24–26 July 2015) in San Francisco.

5. Project Pandemic Management: Revisiting our preparedness

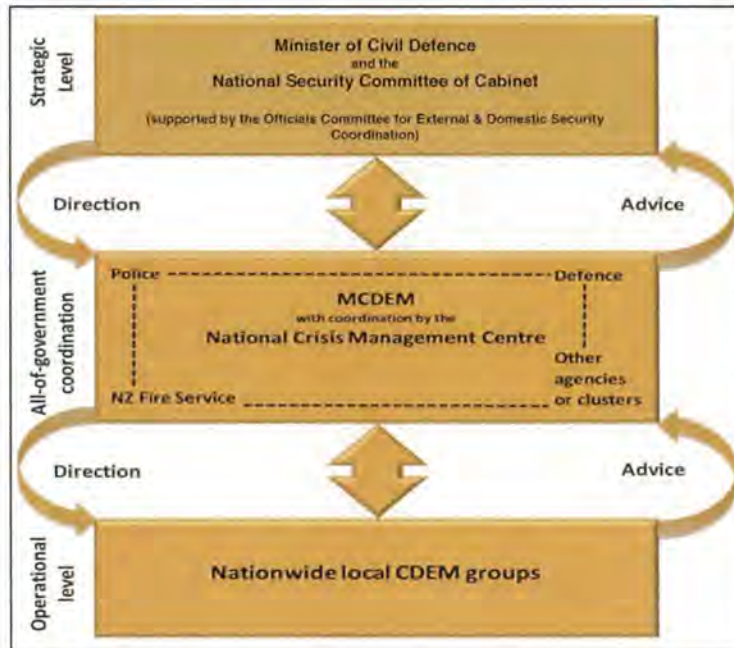
(a) Briefing to the Incoming Minister of Civil Defence (8 October 2014)

Figure 2: National hazard risks



This document also explains the recent changes, namely the Cabinet Committee on Domestic and External Security (DES) has now been replaced by the National Security Committee (NSC); see Figure 3 below (Figure 2 in the Briefing), which illustrates New Zealand's national crisis management model.

Figure 3: New Zealand's national crisis management model



(b) World Health Organisation: One year into the Ebola epidemic (January 2015)

This report is a must read for those trying to equip their communities for epidemics and pandemics. I consider the Ebola outbreak as a slow-motion video of a crash scene; Ebola does not spread quickly (its basic reproduction value was, at its height, about 1.7), but there is a lot to learn about how communities might respond (positively or negatively) to highly contagious viruses, such as influenza, in the future. Another article of interest is James Gallagher's BBC article *Ebola: How does it compare?* (December 2014), which compares Ebola with other epidemics.

(c) Civil Defence Emergency Management group plans

As a result of this work we learned about the Civil Defence Emergency Management (CDEM) group plans (required by the CDEM Act 2002). These plans represent the cooperation and coordination of local authorities with emergency services and other agencies to implement the *CDEM Strategy* vision at the local level. There are 16 CDEM groups formed across New Zealand; each group is made up of elected councillors from each council within geographical boundaries (see Figure 4 overleaf). As required under legislation, each group must develop, approve, implement and monitor a civil defence emergency management group plan and review that plan at least every five years. We think it is crucial that CDEM groups ensure these plans are accurate, relevant, up-to-date and take into account the risk of an epidemic or pandemic. Councils within each CDEM group should be collaborating closely amongst themselves and within the Ministry of Health to optimise the management of their preparedness and emergency response; this will make New Zealand more resilient when disruptive events occur.

Figure 4: Illustration of CDEM groups and their associated councils



Thank you for reading our submission. If you would like to discuss any of these topics in more detail, please do not hesitate to contact me.

All the best for 2015.

Yours sincerely,

Wendy McGuinness
Chief Executive

Attachments:

1. *A Youth Statement on Regional Goals: An output from the LocalNZ workshop* x 13
For more information on the *LocalNZ* workshop see www.localnz.org
2. *Think Piece 21: Strategy Stewardship Matters: Utilising the government department strategies index* x 13
For more information on *The GDS Index 2015*, see www.gdsindexnz.org
3. *TalentNZ: Menu of Initiatives* x 5
For more information on the *Menu of Initiatives*, see www.talentnzmenu.org



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Strategy Stewardship Matters: Utilising the Government Department Strategies Index

Think Piece 21: April 2015
Wendy McGuinness & Madeleine Foreman

A coordinated and long-term approach to strategic thinking is essential for managing New Zealand's health and prosperity over the long term.

The Government Department Strategies Index 2015 is the latest initiative in the StrategyNZ work programme, which seeks to examine the current approach to strategy development in central government and looks at ways to improve momentum and build consensus about the way forward. Government department strategies (GDSs), once published, remain relatively forgotten in the public policy landscape. Are we missing an opportunity to sharpen what have become relatively blunt instruments? This think piece explains the purpose of the Index and how it can be used to bring strategies to the forefront of public policy.

In 2014, under the Official Information Act 1982, the Institute collected a list of 136 GDSs in operation (see definitions overleaf). From reading these strategies it was apparent that many did not provide all the information one would expect in a good strategy document. Currently there are no national guidelines to help policy analysts prepare a good strategy document, which possibly explains the disparity.

The GDS scorecard was developed late last year after a number of discussions. The key question driving the content of the scorecard was what makes a 'good' strategy document good (see Figure 1).

Importantly, the scorecard was designed to examine the content of the strategy document. Therefore, no judgement is made in regard to the quality of the problem definition (i.e. whether the strategy is appropriate given the current policy landscape), the strategic approach or the method of implementation.

Once the assessment was completed, it was then possible to not only rank each strategy by the 22 sub-elements from highest performing to lowest but also to rank each department and sector. These scores were presented visually for each strategy in a radar chart (see Figures 2 and 3 overleaf) and each department in a line graph (see Figure 4).

The results of this process are published on *The Government Department Strategies Index 2015* website – www.gdsindexnz.org. We believe it is a world first in assessing the content of all GDSs for a nation state – a testament to the opportunities that a small country provides.

Seven Key Observations

Analysing all 136 GDSs against the scorecard identified a number of patterns, similarities and variations across GDSs, sectors and departments. The scoring of each GDS enabled us to uncover the more complex relationships underlying the strategy creation and documentation process. These observations are summarised below. For those interested in more detail and examples of good practice, please see the *Index* website (under *Observations*).

1. GDSs tended to describe external environments more critically than their own internal realities.
2. GDSs often failed to document lessons learned from past strategies or from the wider public service.
3. Assumptions were not well articulated.
4. Good structure sometimes masked bad strategy content.
5. GDSs that were considered useful to the public sector were also considered useful for the general public.
6. A number of GDSs read as though they reflected a decision and then back-filled.
7. GDSs often failed to articulate who wins (and who might lose) from implementing the strategy.

There is an opportunity to improve strategy stewardship by focusing on improving the content of strategy documents and ensuring these documents are both accessible to the public and able to be evaluated by independent parties. This research indicates that departments need to work harder to make strategy documents more integrated and better understood across the public service.

The Government Department Strategies Index 2015 scorecard					
1 Opportunities and Threats	2 Capabilities and Resources	3 Vision and Benefits	4 Approach and Focus	5 Implementation and Accountability	6 Alignment and Authority
1.1 Does it identify opportunities going forward?	2.1 Does it identify current and future capabilities (e.g. skills, partnerships/relationships)?	3.1 Does it provide a clear vision as to what success would look like (a desired future condition)?	4.1 Does it break down the vision into a number of strategic goals/objectives that are tangible, specific and different from each other?	5.1 Does it identify who is responsible for implementing the GDS?	6.1 Does it discuss predecessors to the strategy and identify any lessons learnt from these?
1.2 Does it identify threats going forward?	2.2 Does it identify what capabilities it does not have and needs to acquire or work around?	3.2 Does it identify who the beneficiaries are and how they will benefit?	4.2 Does it identify a range of strategic approaches to solve the problem?	5.2 Does it identify who will report on its progress?	6.2 Does it align with its department's SOI?
*1.3 Does it contain a clear statement describing the problem that this strategy is trying to solve?	2.3 Does it identify current and future resources (e.g. financial)?	*3.3 Does it describe how success will be measured and over what time frame?	4.3 Does it clearly describe the chosen approach, outlining what it will and will not do? See 'the approach' in part II.	5.3 Does it explain how progress will be reported (e.g. reports and statistics) and over what time frames?	6.3 Does it align with its department's 4YP?
	2.4 Does it identify what resources it does not have and needs to acquire or work around?		4.4 Does it highlight the risks, costs and benefits of the chosen pathway/approach (e.g. possible unintended consequences)?	5.4 Does it discuss whether the GDS will undergo a final review once it is completed, updated or expired?	6.4 Does it align with its department's annual report?

Figure 1: The six elements and twenty-two sub-elements of the scorecard used to assess each GDS. Each sub-element held a possible score out of four, except for elements 1.3 and 3.3, which were given scores out of eight to represent their importance. To learn more about how the scorecard works, please see page 6 of the *Methodology*, which can be downloaded from *The GDS Index* website: www.gdsindexnz.org.

How to use the *Index*

Strategy concerns choice. What we choose to focus on, as individuals, communities and a nation, indicates the direction we are likely to travel. Depending on the intensity of our focus and the quality of our strategic instruments, we might drift slowly on a fixed trajectory, only changing direction in response to a disruptive event, or we may move rapidly and purposively, working hard to be proactive, agile and open to emerging opportunities and challenges.

The *Index* can contribute better stewardship in terms of publishing better strategy documents, improving transparency, delivering better public engagement and critical assessment, and developing a deeper understanding of trade-offs and the way forward.



Figure 2: CERA's Recovery Strategy for Greater Christchurch Mahere Haumanutanga o Waitaha radar chart

To summarise:

- Using the scorecard and reading the examples of good practice are two ways institutions can improve the content of strategy documents. See *Methodology* and *Observations* on the *Index* website.
- Local government can use the *Index* to crosscheck their long-term plans against GDSs and build on national initiatives.
- Central government can use strategy wheels to better illustrate the relationships between instruments and institutions, especially when developing further long-term strategic thinking. See *Strategy wheels* on the *Index* website.
- The *Index* can increase the transparency of strategy ownership and improve accountability for strategy implementation.



Figure 3: MOH's Rising to the Challenge: The Mental Health and Addiction Service Development Plan 2012–2017 radar chart

The public needs strong strategy stewardship. The *Index* is a tool designed to empower institutions and individuals alike, building a narrative based on hindsight, insight and foresight – the three different perspectives that underlie effective strategy design and efficient strategy implementation.

For the purposes of the *StrategyNZ* project, the following definitions apply.

A strategy: A strategy is about maintaining a balance between ends, ways and means. Professor Freedman, in his book *Strategy: A history* suggested it is 'about identifying objectives; and about the resources and methods available for meeting such objectives. This balance requires not only finding out how to achieve desired ends but also adjusting ends so that realistic ways can be found to meet them by available means'.

A government department strategy (GDS): A 'government department strategy' must:

- be a publicly available statement or report;
- be generated by government departments with a national rather than a local focus;
- contain long-term thinking in such a way that the strategy links to a long-term vision or aim, and ideally provide clarity over the factors that may impinge on the attainment of that vision or aim; and
- guide the department's thinking and operations over the long term (i.e. contain a work programme to achieve change over two years or more).

A plan: A plan is operational in nature; it focuses on who will do what and when. It does not explore the tensions/trade-offs in the external environment or the strategic ways/options in any detail.

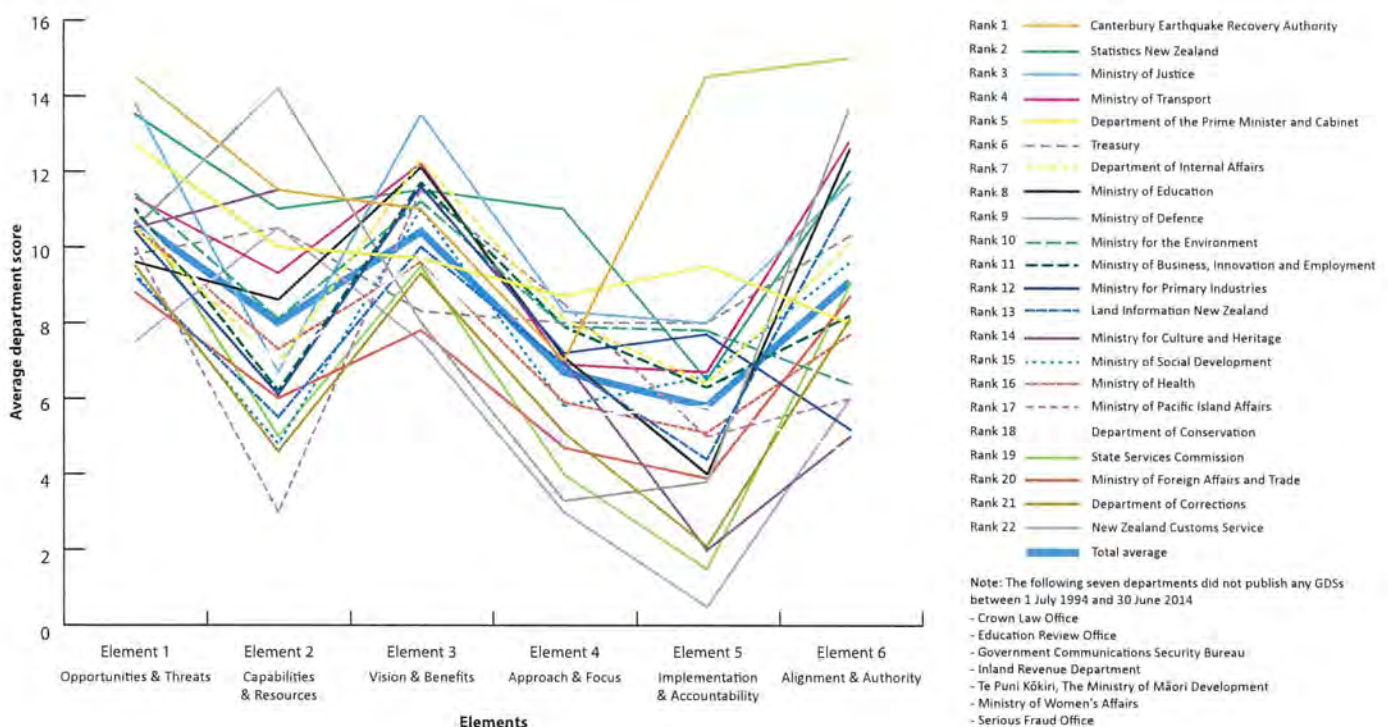


Figure 4: Comparison of average department performance against the six elements of the GDS scorecard

We would like to extend a big thank you to everyone who attended our 1 October discussion, 'How can we make government department strategies count?'. We also wish to acknowledge contributions to this project by Stephen Cummings, Professor of Strategic Management, Victoria University; Patrick Nolan, Productivity Commission; James Palmer, Deputy Secretary Strategy, Ministry for the Environment; Rodney Scott, State Services Commission and Treasury; and Simon Wakeman, Productivity Commission. You can view *The GDS Index 2015* at www.gdsindexnz.org. The Institute will be publishing *Report 15* later in the year, which will build on the *Index* and the *StrategyNZ* working papers; see the *Project StrategyNZ* page on the McGuinness Institute website at www.mcguinnessinstitute.org.