

Sustainability and good governance: Monitoring participation and process as well as outcomes

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The Local Government Declaration to the World Summit on Sustainable Development outlines four inter-connected principles for local governments that underpin sustainability. These are: sustainable development (integrating economic, social, cultural and environmental issues); effective democratic decentralisation; good governance (effective, transparent governments working with local communities); and cooperation and solidarity to enable exchange of good practice (WACLAC, 2002). Sustainable development and good governance are the focus of a range of initiatives underway in the Asia-Pacific region. There are strong links between local Agenda 21/sustainability and good governance, and there may be value in looking at progress in these two areas plus potential overlaps and synergies. Of particular interest are the indicators used to monitor performance.

Local Agenda 21

Chapter 28 of Agenda 21 outlines the role of local government in addressing sustainability. Chapter 28 is relatively short and provides little detail about the actions local governments should take. However, it does highlight the importance of local government's role and a number of elements to consider in developing a local Agenda 21 (LA21). Including (UN, 1992 Chapter 28):

- LA21 is a consultative process whereby a council enters into 'a dialogue with its citizens, local organisations and private enterprises and adopts a local Agenda 21'.
- The consultation and consensus building should be seen as a two-way learning process. Firstly, councils '*learn from citizens and from local, civic, community, business and industrial organisations and acquire the information needed for formulating the best strategies.*' Secondly, it is intended that the process of consultation '*increase household awareness of sustainable development issues.*'
- All councils '*should be encouraged to implement and monitor programmes which aim at ensuring that women and youth are represented in decision-making, planning and implementation programs.*'

Clearly, the principles of LA21 recognise the right of all people to participate in community life and to influence decisions affecting sustainability.

Governance

Osborne and Gaebler (1993) define governance as '*the process by which we collectively solve problems and meet our society's needs - government is the instrument that we use.*'

Governance encompasses not just government, but also the private sector and civil society (individuals and groups) and the systems, procedures and processes in place for planning, management and decision-making.

In Australia there is increasing emphasis on the role of local government leadership in enhancing quality of life and promoting greater participation in the processes of local governance. Sproats (1997) suggests that to achieve better local governance councils will need to:

- Treat their constituents as citizens with a broad stake in local affairs as well as simply customers or clients of particular services.
- Exercise local community leadership, bringing people together for the common good and tackling difficult changes, rather than retreating to a narrow managerial style focused on a more limited role.
- Foster sound public judgement – informed and thoughtful debate within the community – rather than simply respond to often ephemeral public opinion.
- Build the human and social capital of their communities as well as managing financial and physical assets.

These same features are needed to advance local sustainability.

What constitutes good governance?

The United Nations Development Program's (UNDP) has identified nine characteristics or principles of good governance which represent the ideal (UNDP, 1997) (Table 1). There is some overlap between these and the eight governance aspects included in the good governance principle in the Local Government Declaration to the World Summit on Sustainable Development. These are: effective leadership, transparency, accountability, probity, proper management and effective services, equitable access to services, a commitment to partnership working, and institutional capacity building (WACLAC, 2002). The UNDP sees the result of good governance as 'development that gives priority to poor, advances the cause of women, sustains the environment, and creates needed opportunities for employment and other livelihoods' (UNDP, 1994 cited in UNDP, 1997 p.1).

Table 1 A shortened version of UNDP's nine characteristics of good governance.

- **Participation** - All men and women should have a voice in decision-making.
- **Rule of law** - Legal frameworks should be fair and enforced impartially.
- **Transparency** - Processes, institutions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them.
- **Responsiveness** - Institutions and processes try to serve all stakeholders.
- **Consensus orientation** - Good governance mediates differing interests to reach a broad consensus on what is in the best interests of the group.
- **Equity** - All men and women have opportunities to improve or maintain their well-being.
- **Effectiveness and efficiency** - Processes and institutions produce results that meet needs while making the best use of resources.
- **Accountability** - Decision-makers in government, the private sector and civil society organisations are accountable to the public, as well as to institutional stakeholders.
- **Strategic vision** - Leaders and the public have a broad and long-term perspective on good governance and human development, along with a sense of what is needed for such development. There is also an understanding of the historical, cultural and social complexities in which that perspective is grounded.

Source: UNDP (1997).

Links between good governance and sustainability

Good governance and sustainability have two key aspects in common:

- They aim for improved public participation. Both create an environment in which governments, community organisations, the private sector and individuals can become involved in the planning and management of their own communities. There is an increasing view that the reliance on representative democracy, where all responsibility, decision-making and accountability rests with the elected representatives, is no longer the optimum model of democracy. Sustainability and governance require an emphasis on open, deliberative approaches to decision-making. The underlying principle is to make sure that the voices that are normally silent are heard, and importantly, that their perspective is then included in whatever decisions follow (Gleeson and Low 2000; Sandercock 1998).
- They are both a goal and a process. The aim is to achieve good governance and sustainability and it is necessary to use principles and mechanisms to get there. This requires a system of planning, monitoring, reporting and reviewing to ensure the actions and improvements required to achieve these outcomes continue to be implemented.

Monitoring sustainability/quality of life

Some Australian councils have developed sustainability/strategic/quality of life indicators to monitor progress in sustainability. Indicators allow a particular issue to be monitored over time to determine a trend which may be positive, negative or unchanged. Importantly, as with LA21, there is a general view that the process of developing indicators, involving discussions, partnerships, improved knowledge and understanding, and negotiation, is as important as the indicators themselves.

In general sustainability/quality of life indicators are:

- more balanced than traditional indicators (e.g. gross domestic product - GDP) since they integrate social, environmental and economic issues;
- used as part of a strategic planning or directions process whereby a desired future is identified with actions and programs required to reach that future planned and implemented;
- linked to a desired performance outcome or target against which progress over time can be measured;
- easily understood and relevant and acceptable to local communities;
- easily reported, for example as a one page city snapshot or report card.

The City of Onkaparinga in the State of South Australia and the City of Newcastle in the State of New South Wales have each developed a suite of such indicators (City of Onkaparinga, 2001; Australia Institute & Newcastle City Council, 2000). Both councils sought input from their communities to develop relevant indicators. Those chosen measure progress in areas their communities consider to be the most important e.g. transport use, waste generation, income levels and employment. The indicators focus on outcomes; are linked to targets; and report progress based on empirical data (Table 2).

Table 2 Sustainability/strategic indicators used by two Australian councils.

Water consumption indicators	
Newcastle	Onkaparinga
The amount of potable water consumed by the Newcastle community, the amount of wastewater discharged and the amount of wastewater re-used or recycled, as a ratio per person <i>Target: Reduced per person consumption of water and discharge of treated sewage, through reuse.</i>	<ol style="list-style-type: none"> 1. Total available water resources for the catchment area 2. Water consumption by property category 3. Waste-water re-use and total volume of wastewater discharged 4. Capacity of treatment plants. <i>Target: Maximise efficiency in water use.</i>
Housing affordability	
Department of housing rental assistance applicants <i>Target: Increase % of households able to afford appropriate housing.</i>	<ol style="list-style-type: none"> 1. Tenure by number and type of dwellings 2. Residential median prices and rental payments 3. Number of applications for rental assistance living in the local government area. <i>Target: increase the capacity to enter the housing market.</i>
Community participation	
Results to the survey question: 'how satisfied are you with community involvement in council decision-making?'. <i>Target: increase perception of opportunities for community involvement in decision-making.</i>	<ol style="list-style-type: none"> 1. Percentage of eligible voters who participated in local government elections 2. Number and type of community groups, clubs, volunteer organisations involved in civic activities 3. Perception of residents and community groups about the opportunities and barriers to participate in local decision-making. <i>Target: increase participation in civic activity.</i>

Monitoring good governance

The Urban Governance Initiative (TUGI) is a United Nations Development Program (UNDP) program that aims to assist local governments in the Asia-Pacific region in making cities more liveable. The focus on cities recognises the importance of sustainable urban planning and management when over half the world's population now live in cities. TUGI promotes the nine characteristics of good governance outlined in Table 1 through a capacity building program involving information sharing, networking and special pilot projects within and between cities. TUGI advocates five principles for liveable and sustainable cities - social justice, ecological integrity, economic productivity, political participation and cultural vibrancy. TUGI's focus is on promoting good governance but, clearly, the five principles are those underpinning sustainable development. To encourage progress towards good governance TUGI has developed a set of indicator-based report cards that can be used to assess the performance of a council's processes and procedures in governance.

TUGI has developed two sets of indicators for monitoring governance. The first, which are combined with a set of report cards, assess a council's systems, procedures and processes. The emphasis is on the council's processes, not outcomes such as the delivery of services. These indicators are the most interesting because they examine issues not generally reported on in Australia and could provide some useful insights into the quality of decision-making processes Australian councils have in place. Of particular interest is the focus on public participation. The second set of indicators are focused on outcomes and cover many of the same areas that are monitored in Newcastle and Onkaparinga.

The following criteria were used in compiling the two sets of indicators of good governance (TUGI, 1999). The data:

- are readily available and collectible at the city level
- can really help assess governance and
- can, where required, effectively help change governance
- are easy to understand and use by the assessors and citizens
- do not require the use of survey and studies.

The indicators and report cards are intended as a self-assessment tool, so that councils and their communities can ascertain: the direction their local governance is proceeding in; the impact of governance in the short run; and the vibrancy of democratic participation in local governance (TUGI, 1999).

To date, TUGI has developed 15 report cards (TUGI, undated a). Most cover particular issues - solid waste, water and sanitation, employment, poverty, housing, health, transport, participation, corruption, cultural heritage, gender and development. Three examine governance in relation to particular groups of people - children, the elderly and the physically and mentally challenged - and one provides a general assessment of governance. A report card for HIV/AIDS is being developed. Both the report card indicators and the second set of outcomes indicators include indicators for each of the nine governance characteristics shown in Table 1. TUGI suggests councils and their communities select four indicators for each characteristic. These can be four of TUGI's suggested indicators or indicators selected by the council and community. As an example, Table 3 shows a selection of indicators from the elderly citizens, participation and housing report cards. In contrast to the Australian sustainability indicators, TUGI's report card indicators assess performance, not outcomes, and use assessor ratings rather than data. It is suggested that performance is assessed by a task force comprising major stakeholders such as councillors, the chief executive officer, non-government organisations, the private sector, religious groups, academics and residents (TUGI, 1999). For each indicator council performance is graded on a scale of 1 to 5 where 1 is very poor and 5 is very good.

A number of the report cards have been tested by councils and other organisations in the Asia Pacific region. For example, Kathmandu Metropolitan City Council and 150 children used the general report card to assess how well the urban environment was being managed (TUGI, undated b). As a result five environmental clubs were established in local schools.

Table 3 Examples of suggested indicators in the TUGI report cards on elderly citizens, civil society participation and shelter and housing.

<p>Elderly citizens report card</p> <p><i>Transparency indicator:</i> Easy access to information pertaining activities of the local authorities that affect the elderly</p> <p><i>Strategic vision indicator:</i> Overall vision of the local government for city development with the needs of the elderly in mind.</p> <p><i>Accountability indicator:</i> Existence of advocacy groups related to elderly citizen's issues in the city.</p>
<p>Participation report card</p> <p><i>Participation indicator:</i> Level of awareness among municipal staff and councillors on the importance of civil society participation in the development process of the city.</p> <p><i>Rule of law indicator:</i> Existence and adequacy of the rules and regulations related to partnership with civil societies.</p> <p><i>Equity indicator:</i> Priority of municipal investment to mobilise civil societies and work in partnership and collaboration with them.</p>

Shelter and housing report card

Responsiveness indicator: Mechanisms to determine needs & aspirations of residents.

Effectiveness and efficiency indicator: Delivery of rental accommodation compared to need.

Consensus orientation indicator: Involvement of urban poor communities, squatters and the disadvantaged groups in decision-making.

Source: TUGI undated.

Linking sustainability and governance indicators

LA21 and good governance both aim for improved public participation in decision-making. Both are about process as much as outcomes. However, many sustainability indicators currently used by Australian councils are outcomes based with little reported focus on public involvement in achieving sustainability. Moves towards new forms of governance which re-examine how decisions are made and open up decision-making to a new set of participants (e.g. non-government organisations, the private sector, women, youth) are seen as the core to LA21 (Southey, 2001). TUGI's report cards allow assessment of performance in governance and whether processes encourage the public participation aims of LA21. They are meant to be flexible and adapted to suit a city's needs. The suggested indicators and the nine characteristics of good governance may not be suitable for use by Australian councils and communities. In some respects the final choice of indicators may be less relevant than the establishment of a procedure for systematically reviewing a council's decision-making processes, particularly the level of public involvement. The TUGI report cards would provide a useful starting point for councils and communities interested in improving this area of their sustainability/governance actions. However, as with all indicators, the report cards will only be useful if they are used as management tool - to identify strengths and weaknesses that are then addressed so that performance is continuously improved. Reporting alone is not worth the effort.

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