

**NEXT
GENERATION
LOCAL**

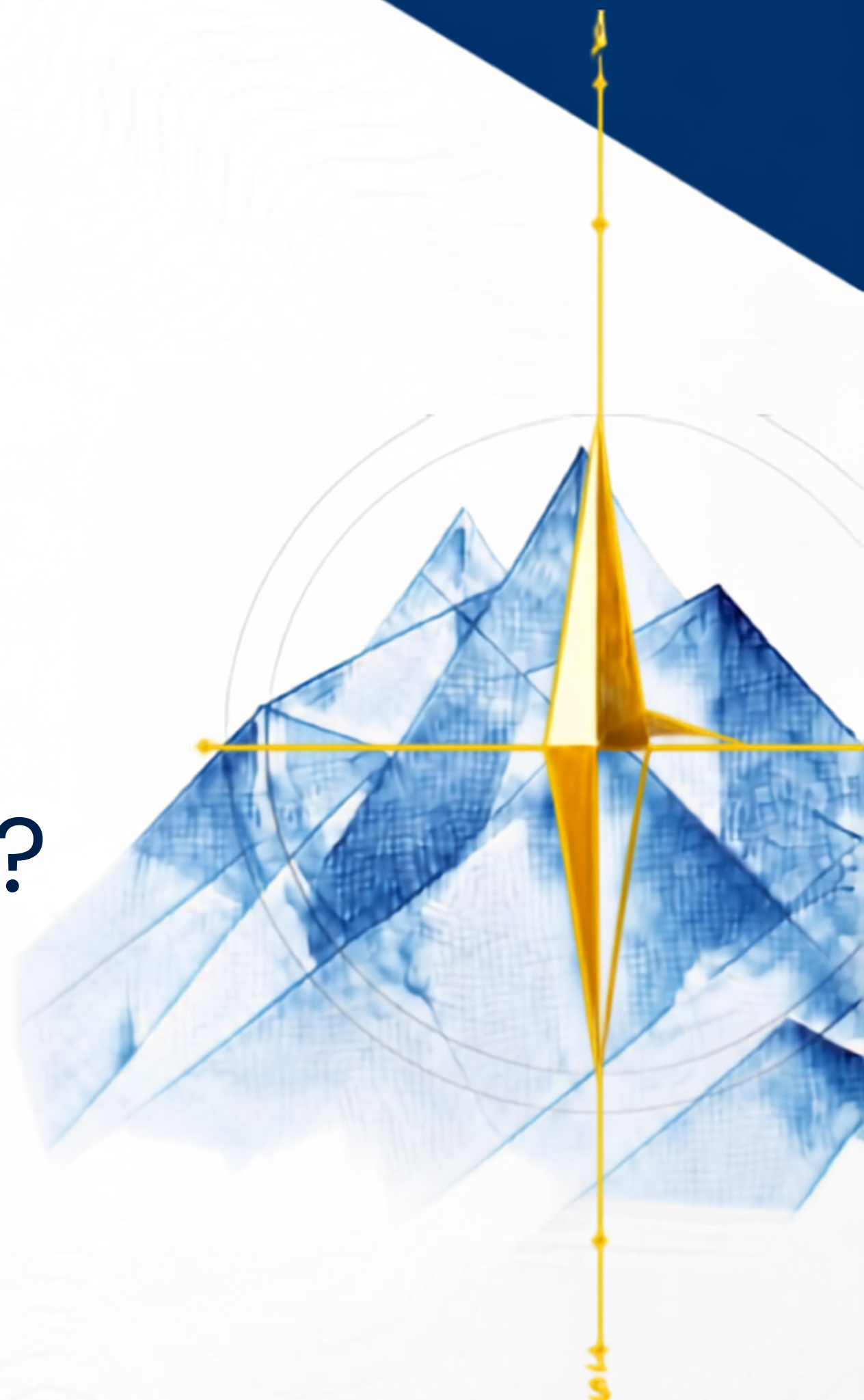


Shaping tomorrow, together

HEADSTART – WHAT ABOUT CENTRAL GOVERNMENT?

Author: Peter McKinlay

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Introduction

Government's simplifying local government initiative, including Headstart, is based on the belief that "reating a simpler, more effective and efficient system of local government" is important for improving the achievement of government's outcomes as "councils play a critical implementation role for many of our priorities".

Implicit in this belief is that central government and local government are in many respects interdependent so that the efficient and effective functioning of one level of government depends very much on the efficient and effective functioning of the other.

This begs an immediate and important question. Does it make sense to undertake a radical restructuring of local government without any equivalent scrutiny of central government and how its respective structures, organisational arrangements and accountabilities complement local government's for the purpose of improving national well-being? This article makes a strong case for no. When thinking about this it's worth recalling a recent comment by the Public Service Commissioner to the effect that New Zealand does not have an integrated public service, it has 42 silos.

Context - short termism rules?

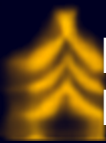
In New Zealand, since the reforms of the late 1980s, it has been difficult to think of local government as much more than a collection of service delivery entities. The main reason is the way in which Roger Douglas effectively defined councils as instruments of government policy. This view of local government still seems at the heart of how central governments think of councils. The cabinet paper for the Headstart proposal had this to say about relation to government priorities:

Councils play a critical implementation role for many of our priorities (such as fast track consenting, water reform, building consenting, emergency management, and resource management).

By progressively aligning governance with how the new planning system is designed to work, Head Start enables councils to lead the transition on their own terms, rather than waiting for wider reform to commence.

Delivering the new planning system remains core business for all councils and continues in parallel, whichever pathway councils choose.

There is an obvious mismatch between this statement about government priorities, and what should lie at the heart of a radical restructuring of local government. Government clearly wants its local government tool primed and ready to go for a seamless implementation of its new planning regime. This is a purely instrumental objective rather than a basis for collaborative working on developing a shared approach to shaping the communities for which both tiers of government are responsible.



Context - the strategic imperative

To drag out a cliché, if form follows function, then any radical restructuring of local government should be based on an informed understanding of the environment in which a restructuring local government will be functioning - not just next month or next year but over the next decade or two - and how that restructuring will complement the future role of central government itself. If any thought has been given to the future environment for central and local government, it looks very much as though ministers have proceeded on the basis that there will be little change. The two tiers of government in 10 years' time will be operating in broadly the same economic, cultural, fiscal and social (including demographic) environment as they are at present.

Elsewhere, and for some years, there's been increasing attention paid to the capability of the central government top-down approach to the design, targeting and delivery of major public services intended to deal with current and future societal needs. This approach rose to prominence in the heyday of the welfare state when societal problems were generally large simple problems capable of being effectively addressed by large simple centrally designed solutions.

That world has gone. Today's societal problems, although they may have commonalities across the country, are inherently bespoke local problems addressing which requires strong local networks and capability.

This challenge to the continuing relevance of the central government top-down approach is only one of a number affecting the capability of central governments. Another is a shift in the balance between demand for services and available resources which is gradually making the traditional approach of tax and deliver simply unaffordable.

The consequences are summed up in the following quotation which comes from a very high regarded public jisc working with the Kings fund, a leading UK health think tank:

We're getting public service reform wrong. The welfare state was established in an era of economic growth, rising living standards, buoyant tax receipts and political stability. That has all gone. Profound crisis is now a fact of life. And yet we pretend that the public sector is immune from the consequences of this.

In fact, public services are now caught in a 'crisis vice' where the chaos of our times drives ever rising demand for care while simultaneously reducing the resources to meet that demand. This high demand/low resource situation is our new, long-term reality.

This is the environment which will shape the future relationship between central government, local government and the communities they both serve, elsewhere there is what amounts to an emerging consensus that the future of major public services is going to be built around working collaboratively with communities, drawing on the knowledge and commitment of communities and taking much more of a co-production approach to thinking about the nature of services. There will be an increased emphasis on a prevention approach in areas such as health and welfare and on collaborative working at a community level with public services generally so as to



Headstart as strategic change

The balancing from New Zealand's traditional centralised top-down approach to public services to much more of a collaborative approach working with communities necessarily requires the direct involvement of councils. They are the only entities with the requisite capability, local presence and longevity needed to build strong community capability across the country. The next phase of Headstart could and should focus on how to ensure the emergence of capable empowered communities able to play what is increasingly going to be a very important role in the future of public services (and much else besides including building social cohesion and taking the lead in place management consistent with the well-established understanding of localism as 'voice, choice and control for communities over decisions that affect their place').

Collaborative working with communities raises a number of questions about how to identify and work with communities in ways which ensure a genuine community voice. It means working out how to ensure that communities have an ongoing existence, are able to have 'horizontal conversations' as a means of arriving at an inclusive understanding of community views, have some reasonable structure and operating capability, and have access to appropriate support to assist with their operation.

It means understanding the difference between New Zealand local government's subsidiary structures such as community boards and local boards, whose continuing existence and authority is at the pleasure of the parent council, and community groups which have a strong measure of autonomy such as Portland's recognised residents' associations or the communities recognised for local place planning purposes in Scottish planning legislation. It also means making involvement in communities attractive to the people of the place. Successful initiatives in empowering communities have taken for granted the importance of respecting the voice of communities, of working with rather than doing to communities, of providing adequate support, and of making involvement attractive through the use of tools such as participatory budgeting which is a very user-friendly way enabling people to share in decision-making about what happens in their place.

Conclusion

Headstart as a radical restructuring of local government must be designed to cope with the rapidly changing environment for the public sector and governance generally. New Zealand society, and its many and diverse communities, simply cannot afford to miss the opportunity to make the Headstart restructuring fit 2030s rather than redolent of the 1980s. If you have any thoughts you would like to share on this article, can we encourage you to go to 'Have Your Say' by logging in and becoming part of one of the most important conversations that you will ever have.