



Knowledge Synthesis

IMPROVING LOCAL GOVERNANCE: COMMUNITY AND REGIONAL PARTNERSHIPS

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INTRODUCTION

This knowledge synthesis is part of The Monieson Centre's Knowledge Impact in Society (KIS) Project, a three-year endeavour to connect academic knowledge with economic development needs in Eastern Ontario. The synthesis is an accessible presentation of the latest research on issues affecting rural Eastern Ontario. The knowledge synthesis topics were determined through information gathered at 15 community workshops run in partnership with the Eastern Ontario Community Futures Development Corporation network. The KIS Project is funded by the Social Sciences and Humanities Research Council of Canada. For more information, visit www.easternontarioknowledge.ca.

Rural municipalities have long struggled to provide the same degree of programs and services that residents in urban communities take for granted. Due to limited revenue sources from property owners, rural governments need to be innovative in responding to the needs of local residents. As a result, there is a strong desire to find ways that local governments can do more with less – to maximize programs and services offered through new partnerships with other governments and community groups.

There is also growing recognition at the municipal level of the need for greater involvement of citizens and non-governmental organizations in the development of programs and the delivery of services. Creating greater opportunities for public involvement enhances the level of democracy in rural communities and strengthens the ability of programs and services to be responsive to the needs of residents. This is primarily due to the diversity of stakeholders involved in the development of programs and services.

Governance arrangements beyond traditional local government institutions have emerged as a positive way to maximize program and service delivery and also engage citizens in governing the community. With a focus on partnerships of citizens, non-governmental groups, businesses, and other levels of government, the use of governance arrangements provides opportunities to improve rural communities.

This paper explores the concept of governance in relation to the traditional focus on government. Additionally, the benefits and challenges associated with governance are discussed. The opportunities for regional collaboration through governance are also highlighted for the reader. Finally, two case studies of governance arrangements are provided to demonstrate the concept in practice.

THE TRANSITION FROM A FOCUS ON 'GOVERNMENT' TO 'GOVERNANCE'

Rural municipalities have historically been considered program and service delivery agents. Traditionally, the role of local governments has been the provision of services directly related to property (e.g., road maintenance, snow removal, fire protection). This function is demonstrated in municipal tax structures based upon property value assessment.

In the last 20 years, however, rural municipalities have attempted to respond to citizen and provincial government demands for increased levels of programs and services in broader areas of scope (e.g., economic development, public health, affordable housing, immigration, environmental protection). However, during this same period, many rural municipal governments have struggled with declining and aging populations due to migration to urban areas, and talented and educated youth not returning to the community following college and university. The declining demographics along with the low population density of rural municipalities have produced a diminished tax base.¹ As a result, limited funding sources frequently mean that rural governments lack the capacity to directly fund new service demands and also lack sufficient staffing resources to develop new programming and service areas.

During the late 1990s and early 2000s, a solution to this conundrum was undertaken in Ontario through municipal amalgamations. Rural governments underwent great change with the mergers of many towns and townships at the lower tier, the collapsing of two-tiered municipal structures into single-tier municipalities in the former Victoria County and the Regional Municipality of Haldiman-Norfolk, and urban-rural mergers such as Chatham-Kent.² Provincial policy encouraged rural amalgamations as a means to reduce costs associated with duplication of programming and services across a multiplicity of small municipalities. Further, amalgamations offered an opportunity to achieve economies of scale through distributing fixed costs over a larger geographic area. The enlarged municipalities were anticipated to be more efficient and more capable of delivering programs and services on their own.³

Unfortunately, larger amalgamated municipalities have not produced the desired outcomes expected from the structural changes. While some economies of scale have been achieved from the combining of service provision departments, costs for services have been shown to increase as a result of efforts to provide the same level of services to a larger geographic area. Further, staffing costs have risen due to the greater level of responsibilities required in relation to the smaller departments that existed in the previously separate municipalities.⁴ Criticisms have also emerged about the lack of attention paid to improving the democratic nature of rural governments by providing more opportunities for public involvement, especially due to reductions in the number of elected municipal representatives.⁵

Solutions to the challenges of resource limitations and the need to engage non-governmental actors in program and service delivery have emerged in the form of new partnership arrangements between rural

¹ Wayne Caldwell, "Planning and Management for Rural Development: The Role of Local Government," in *Rural Planning and Development in Canada*, ed. David J.A. Douglas, (Toronto: Nelson Education, Ltd., 2010), 114.

² C. Richard Tindal and Susan Nobes Tindal, *Local Government in Canada*, 7th Edition (Toronto: Nelson Education, Ltd., 2009), 105.

³ Mary Louise McAllister, *Governing Ourselves?: The Politics of Canadian Communities* (Vancouver: UBC Press, 2004), 129-130; Caldwell, 113.

⁴ McAllister, 131-132.

⁵ Tindal and Tindal, 154.

municipalities, provincial ministries, local businesses and civic organizations. Rather than municipal governments 'going it alone' in attempts to meet servicing demands, many initiatives have emerged under the concept of governance. Instead of a focus on the role of municipal governments as the exclusive governing entity of importance, governance refers to "collaborative arrangements between local governments and organizations within civil society."⁶

The concept of governance recognizes the advantages to and need for modern forms of governing in order to capitalize on the synergies produced from municipal governments working in tandem with other agencies and organizations. It recognizes that the process of decision-making and service delivery is frequently more important than the local government structures emphasized in the past. Governance seeks to formulate new partnerships "within which the roles of participants [are] transformed: the state (the provincial or regional authority) moves from being sole guardian and rule-maker to being initiator and facilitator; business moves from being supplier to being in partnership with governments and citizens; and citizens move from being mere consumers to being actors, stewards, and decision-makers."⁷ Thus, there is much promise to a shift from an exclusive focus on governments providing programs and services to governance involving a broader level of stakeholders.

BENEFITS AND CHALLENGES OF GOVERNANCE ARRANGEMENTS

Governance arrangements have both democratic and administrative implications. In moving beyond formal municipal government institutions such as elected councils to address programming issues or to jointly deliver services, governance arrangements need to consider issues related to efficiency, efficacy, equity, and accountability and transparency. These issues have both benefits and challenges to a focus on governance.

Efficiency

Perhaps the greatest appeal of governance arrangements is the opportunities to develop policies and deliver services in a more efficient way than municipal governments operating on their own. In a governance context, efficiency is defined as the maximum use of available resources to reduce the waste of financial resources. The concern about waste stems from a desire to avoid unnecessarily high levels of taxation and/or limited spending on programs or services due to poorly utilized spending in other areas.⁸ Rural municipalities are particularly interested in opportunities to maximize efficiencies for new policies and services given the limited property tax revenues available for funding.⁹ Governance emphasizes partnerships with citizen groups and other governments to both spread the costs of programs and services amongst partner groups. Additionally, a focus on programs or services such as economic development, source water protection and policing at a larger geographic scale permits fixed costs to be spread out over a greater area, thus permitting municipal governments to be able to offer more to their citizens in return for the investment made.¹⁰

⁶ Tindal and Tindal, 5.

⁷ Gerald Hodge and Ira M. Robinson, *Planning Canadian Regions*. (Vancouver: UBC Press, 2001), 413.

⁸ Andrew Sancton, *Governing Canada's City Regions: Adapting Form to Function*, ed. France St-Hilaire. (Montreal: The Institute for Research on Public Policy [IRPP], 1994), 16.

⁹ Caldwell, 114.

¹⁰ *Ibid.*; Tindal and Tindal, 130.

Effectiveness

All programs and services have objectives they seek to accomplish. For example, immigrant attraction programs in rural municipalities desire to have new Canadians move to rural areas in order to address the challenges of aging communities. These programs strive to highlight the quality of life advantages of rural living and provide services to new Canadians for language training. However, municipalities have difficulties meeting the objectives of such programs on their own, and thus the efficacy of the program suffers. Governance arrangements can improve the effectiveness of programs and services due to the additional number of organizations involved in implementation strategies. With multiple actors working towards a common goal, objectives can be achieved quicker and more comprehensively than the rural municipality working on its own.¹¹ Further, programs and services developed through governance arrangements are generally viewed by citizens to be more ‘grassroots’ and responsive to their needs.¹²

Equity

One of the most important qualities that good programs and services must possess is fairness to a diversity of community members in both scope and application. Rural areas are comprised of residents with differing needs from government programs. As a result, it is essential that these diverse needs are considered when developing new programs and services. Governance arrangements improve the fairness of programs and services due to the inclusion of a variety of stakeholder perspectives in decision-making.¹³ A balance of perspectives is needed, however, to ensure that the program or service does not favour one sector of the community over another. Those responsible for coordinating governance arrangements must also ensure that all groups interested in participating are included.¹⁴

Accountability and Transparency

Traditional local government institutions such as municipal councils are composed of elected representatives. Members of council are able to provide oversight for administrative staff and possess the ability to use disciplinary measures if required. Meetings of council are also open to the public and the media, thus providing opportunities for democratic oversight. Governance arrangements, however, have the potential to avoid the accountability and transparency mechanisms of traditional institutions. By their nature, governance arrangements are political entities that make decisions on the programs and services they are created to develop. Thus, it is essential that governance arrangements ensure that methods such as presentations to council and other organizations, press releases, and websites are used for regular reporting of activities and decisions. Meetings should also be open to interested members of the public.¹⁵

THE NEW REGIONALISM

As noted above, structural changes to the size and scale of municipalities has been favoured as a means of addressing program and service challenges at a regional level. Given the limitations of this approach, recent interest has emerged in the concept of new regionalism. The approach of new regionalism is to

¹¹ Sanction, 17.

¹² Lynda Cheshire, Vaughan Higgins and Geoffrey Lawrence, “Introduction: governing the rural,” in *Rural Governance: International Perspectives*, ed. Lynda Cheshire, Vaughan Higgins and Geoffrey Lawrence (New York: Routledge, 2007), 11.

¹³ McAllister, 203.

¹⁴ Ibid.

¹⁵ Cheshire, Higgins and Lawrence, 6.

encourage municipalities to work together in addressing servicing needs instead of limiting themselves by their respective boundaries. Non-governmental alliances with civic society and the private sector are also to be sought out wherever possible.¹⁶ According to Tindal and Tindal, new regionalism features:

- Focus on governance, not government, by establishing a vision and goals and setting priorities to achieve them.
- Focus on process instead of structure, through such means as strategic planning, conflict resolution, and consensus-building.
- Acceptance that boundaries are open and elastic, and efforts to build cross-sectoral governing coalitions that vary with the issues being addressed.
- Emphasis on collaboration and voluntary agreement rather than hierarchy and top-down power.
- Trust-building as a binding element in relations amongst regional interests.
- Reduced focus on power and how it is allocated among levels of government, and increased emphasis on empowering neighbourhoods and communities, drawing them into regional decision-making.¹⁷

In 2008, the Counties of Oxford, Brant, Middlesex, Norfolk and Elgin joined together to create the South Central Ontario Region (SCOR) partnership to advance the economic development potential of the five municipal governments. The partners recognized the advantages of collaboration in the development of an overall economic development strategy and the ability to pool funding for programs.¹⁸ Working with the Ontario government and local community stakeholders, SCOR has developed a strategic plan devoted to creating new opportunities in the agricultural, tourism, energy, environment and cultural sectors of the economy. Goals and targets were developed for each sector with performance indicators to track progress. The strategy identifies fifteen priorities for action in areas such as supporting entrepreneurship, increasing research and development, fostering youth innovation, and enhancing the quality of life of the SCOR communities.¹⁹ In order to secure the plan's goals, implementation actions are identified for working groups comprised of representatives from the partner governments. The SCOR strategy represents a progressive form of regional cooperation in a governance arrangement.

GOVERNANCE CASE STUDIES

The following Ontario case studies present examples of governance arrangements in practice. These programs and services are examples of how rural municipalities can work with stakeholders to meet the needs of local residents to a greater degree than working in isolation.

Community Immigrant Retention in Rural Ontario: The City of Brockville

Many rural municipalities are faced with having to address demographic challenges. Aging communities and growth rates of roughly 1% in most municipalities hinders the future prosperity and development of

¹⁶ Tindal and Tindal, 162.

¹⁷ Ibid, 161.

¹⁸ South Central Ontario Region, "South Central Ontario Region: The Path Forward," last modified December, 2008, http://www.scorregion.com/images/stories/the_path_forward_brochure.pdf

¹⁹ South Central Ontario Region, "SCOR: The Path Forward for the development and diversification of the economy of SCOR: Strategic Management Plan 2009 – 2020," last modified June, 2009, http://www.scorregion.com/images/stories/partners_package_-_scor_strategic_management_plan_-_the_path_forward_30-06-09_final.pdf

rural communities.²⁰ Given that Canada's population growth is now largely driven by immigration, rural municipalities need to develop innovative ways to attract newcomers to settle in their communities rather than major urban centres. The City of Brockville has recognized the importance of immigration to the future economic development of their community. As a result, Brockville has become one of three rural municipalities to work with the Ontario government in the development of a strategy to attract new Canadians to their community.

Recognizing the benefits of governance arrangements, Brockville created a steering committee to develop the immigration strategy composed of community and government partners: the United Way, the County of Leeds and Grenville, the Brockville and District Multicultural Council, the Ontario Ministry of Agriculture, Food and Rural Affairs, and Citizenship and Immigration Canada. The strategy has produced an innovative web portal that prospective newcomers to the Leeds and Grenville region can access, providing detailed information about living in the area, starting a business, local schools, and the Canadian immigration process.²¹ Short videos highlighting the benefits of living in the community have been prepared as well as information packages distributed by the partners about immigrating to Leeds and Grenville. Finally, the stakeholder steering committee has established working groups through the Leeds and Grenville Immigration Partnership that meet regularly to determine new ideas and further efforts for collaboration in the recruitment of newcomers to the area.²²

Elgin and St. Thomas Labour Development Strategy

Located in Southwestern Ontario, the municipalities of Elgin County and the City of St. Thomas have been impacted by two substantial economic challenges. First, the agriculture sector in the region has faced a decline of tobacco production, which given the sandy soil of most farms, was the principal cash crop grown in the area. Second, financial troubles for the major North American automobile manufacturers has resulted in the shut-down of many parts suppliers that comprised the bulk of the manufacturing sector in the area. Compounding these economic challenges were concerns about the region's demographics: over 20% of the workforce lacked a high school diploma, household income was below the provincial average, the 2009 unemployment rate was almost 10%, and few workers were employed in creative-type occupations.²³ Many within the region felt that action was needed in order to reverse these trends and to revitalize the area economy.

To address these challenges, a governance arrangement was created to develop a strategy for labour reforms. The Elgin Workforce Development Committee consisted of stakeholders from the Elgin Business Resource Centre, the Elgin, Middlesex, Oxford Local Training Board, Fanshawe College, the County of Elgin Economic Development Department, the St. Thomas Economic Development Corporation, St. Thomas-Elgin Ontario Works, the YWCA of St. Thomas-Elgin, Employment Services Elgin,

²⁰ Government of Ontario, "Community Immigrant Retention in Rural Ontario (CIRRO)," last modified February 18, 2011, <http://www.reddi.gov.on.ca/cirro.htm>

²¹ Leeds and Grenville Immigration Partnership, "Welcome to Leeds & Grenville: Immigration Portal," last modified April, 2011, <http://www.newcomersinfo.ca/welcome>

²² City of Brockville, "City of Brockville: Immigration and Cultural Diversity," last modified August 5, 2010, http://www.brockville.com/submaster.cfm?aPage=newsdetails_full.cfm&ViewItem=Yes&IDIn=928

²³ Elgin Workforce Development Committee, "Elgin & St. Thomas Labour Force Development Strategy: Executive Summary," last modified February 26, 2010, <http://www.elginbusinessresourcecentre.com/Executive%20Summary%20Binder.pdf>

the Mennonite Community Service and the Ontario Ministry of Agriculture, Food and Rural Affairs.²⁴ This diverse committee spearheaded research on the current labour situation in Elgin-St. Thomas, developed best practices case studies from other jurisdictions, and conducted a workforce summit attended by 50 local business and community leaders who were interviewed for their perspectives on the labour needs for the region.²⁵

The resultant Labour Strategy seeks to capitalize on the emerging creative and green economy through five priorities:

1. Fostering a skilled workforce through retaining youth and skilled labourers;
2. Encouraging a culture of life-long learning to increase levels of educational attainment;
3. Supporting entrepreneurs and small businesses;
4. Building collaboration amongst business, government and education sectors for maximizing labour market opportunities; and,
5. Creating a committee to implement the report to ensure its success.²⁶

Each of the priorities has numerous actions that will be undertaken by partners identified as the respective implementation team. Thus, it is recognized that governments, the private sector and civil society must work together in order to develop real change in the region's labour force.

CONCLUSION

Governance arrangements beyond traditional local government institutions provide successful ways to deliver services and enhance democracy through greater citizen participation. Rather than focusing on structural solutions to improve a municipality's capability to develop and deliver programs and services, governance emphasizes the importance of partnerships to meet the needs of local residents. Overall, citizens of rural municipalities will be best served in the future through governance arrangements rather than individual governments acting in isolation.

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²⁴ Elgin Workforce Development Committee, "Labour Force Development Strategy: The Rubber Hits the Road," last modified February 25, 2010, <http://www.elginbusinessresourcecentre.com/Press%20Release.pdf>

²⁵ Elgin Workforce Development Committee, "Elgin & St. Thomas Labour Force Development Strategy," last modified February 26, 2010, <http://www.elginbusinessresourcecentre.com/Labour%20Force%20Development%20Strategy.pdf>

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