New Zealand’s Relationship Accord: 
A case study in the politics of cross-sector rapprochement

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Abstract
In New Zealand the Clark Labour government (1999-2008) advocated entering into a compact with the country’s community and voluntary sector. However, owing in part to the reticence of New Zealand’s national umbrella organisations, a bilateral framework agreement between government and the sector was never formalised. It was not until May 2011 that a framework document – Kia Tūtahi Standing Together: The Relationship Accord between the Communities of Aotearoa New Zealand and the Government of New Zealand – was ratified by the National Party government led by Prime Minister, John Key, thus marking the culmination of a decade-long national discussion. This paper charts that policy journey and highlights the importance of key political events and the ways in which key policy actors exploited the windows of policy opportunity associated with those events.

Introduction
This paper draws upon a larger multi-case comparative study of national and sub-national cross-sector policy frameworks (Butcher 2014). That study adopted an analytical frame based on Kingdon’s process streams (Kingdon 1995) and its aim was to investigate: how and why the relationship between governments and the not-for-profit sector came to be regarded as ‘problematic’ in jurisdictions that had embraced neo-liberal approaches to governance (e.g. new public management or NPM); how the notion of formal cross-sector policy frameworks (beginning with the 1998 ‘English’ Compact) was socialised within policy communities as a preferred policy response to problems with the relationship; the role played by key policy actors (including collective or institutional actors) in the promotion and diffusion of ‘compacts’ and similar policy instruments; and the connexion between political events, the
opening (and closing) of ‘policy windows’, and the political salience of formal cross-sector policy frameworks.

The case studies, which included each of the constituent ‘countries’ of the United Kingdom, Canada, Australia (including federal, state and territory governments) and New Zealand, confirm that the policy drivers contributing to the adoption of cross-sector policy frameworks were markedly similar in each of the different jurisdictions. However, the study also revealed that the particular political and institutional milieu in which cross-sector frameworks were framed had significant bearing on their eventual form, durability and effectiveness. Although the policy frameworks considered in each of the fifteen jurisdictions under study had their provenance in the ‘Third Way’ policy discourses that characterised the first Blair Labour Government in the United Kingdom, none exactly replicated the seminal ‘English’ Compact.

New Zealand’s Relationship Accord is a case in point. The Clark Labour Government (1999-2008) proposed a formal settlement with the country’s ‘third sector’ based on the 1998 Compact. However it was not until 2012 that the Key National Government (2008-present) formalised its Kia Tūtahi Relationship Accord. That the Accord was over a decade in the making was due in large part to the reticence of the principal national umbrella organisations operating in the community and voluntary sector policy space. Over the course of this protracted policy discussion, political and ideological factors weighed heavily in reframing both the form and scope of the policy framework – away from a ‘compact’ along ‘Blairite’ lines to a vague ‘Accord’ with New Zealand communities.

This paper charts that policy journey and highlights the importance of key political events and the ways in which policy actors exploited windows of policy opportunity associated with those events. We conclude that New Zealand’s institutional and political milieu over the past three decades – whilst providing the catalyst for radical public sector reform – has nonetheless offered an unstable platform for policy discourse around cross-sector relations.

This research draws upon a number of semi-structured in-depth interviews conducted by the author in late 2012 with senior policy actors in New Zealand, including executive officers of four national intermediary organisations and senior government officials in the (former) Office for the Community and Voluntary Sector (OCVS) and the Department of Internal Affairs. Consistent with Bevir et al. (2003) and Soss (2006) the study adopted an interpretive approach.
approach based upon ‘thick description’ to make sense of the policy process. Insights gained from the interviews were triangulated with relevant primary documents (including numerous official reports, cabinet documents, policy statements, official websites, ministerial press releases and speeches, etc.) and scholarly literatures pertaining to the roles played by non-profit organisations in the mixed economy of social welfare.

The Ki Tūtahi Relationship Accord in context

New Zealand was an early and enthusiastic adopter of neoliberal approaches to public administration that would come to be called, collectively, new public management (Larner 2000). The economy-wide reforms initiated by the Lange Labour government (1984-1989) provided a platform for the transformation of public sector management (Evans et al. 1996). These included an increased reliance on market-oriented strategies such as deregulation, privatisation, outsourcing, the structural separation of purchasers and providers, an enhanced emphasis on performance measurement and management, a shift from input to output-based funding, and the delivery of public services by third parties under contract (Boston et al. 1996; Boston et al. 1999; Boston 2008).

It was considered that competition would result in greater efficiency, responsiveness and choice in these newly established human services markets and the contract would be the principal instrument by which this competitive turn in service provision would be achieved (Smith 1996; Nowland-Foreman 1997; Ashton et al. 2004; Larner and Craig 2005). The implementation of contracting and tendering regimes for the provision of health and human services gathered pace under Prime Ministers Bolger and Shipley (1990-1999) whose National governments, according to Larner (2000, p. 17), exhibited a more recognisable ‘authoritarian version of neoliberalism and neo-conservatism’.

By the mid 1990s, however, the National government had begun to reconsider its embrace of pure principal-agent approaches to public service delivery. An incoming government brief prepared by the Department of Social Welfare in 1996 sounded a warning that ‘current arrangements with the sector based on purchase-of-service contracting may not, in themselves, be sufficient to maintain a healthy not-for-profit sector’ (cited in Nowland-Foreman 1997, p. 22; Department of Social Welfare 1996). A view began to emerge that contractual governance was beset with a number of problems and might lead to greater
fragmentation of both policy and service delivery; the co-optation of community and voluntary service providers as mere agents of the state; and a lack of focus on the needs of citizens (Smith 1996: p. 16; Nowland-Foreman 1997, p. 34; Aimers and Walker 2008, p. 48).

The ground was thus prepared for a resurgent opposition Labour Party to foreshadow proposals for a new settlement with New Zealand’s community and voluntary sector in the lead-up to the 1999 general election. On taking office in December 1999, the Clark minority Labour/Alliance government (1999-2002) signalled a shift away from the ‘free market purism’ of the Nationals towards a ‘social development’ approach based on partnership, inclusion and joined-upness (Small 1999; Larner and Craig 2005; Aimers and Walker 2008; Prestidge 2010). Prime Minister Helen Clark stated her government’s intention to ‘develop a compact with the voluntary sector to facilitate and guide the relationship between us’ (Clark 1999) and established a working party comprising community, community and voluntary sector and state services sector representatives ‘to consider the scope of a proposed agreement between government and Iwi/Māori community and voluntary organisations’ (CVSWP 2001).

The Labour/Alliance coalition government wasted little time in establishing high-level working groups with a broad remit to consult across the voluntary and community sector (as well as across the Iwi/Māori community) about the matters that should be taken into account in any formal relationship framework. During this time the government also established a ministerial portfolio for the community and voluntary sector, and enunciated a Statement of Government Intentions (SoGI) (New Zealand 2001) as an expression of the government’s commitment to building strong and respectful relations with the sector.

The Labour/Progressive coalition government that followed (2002-2005) continued the process of policy review and implementation. However, signs had begun to emerge that the community services sector and the government had divergent views: whereas the government clearly wanted to develop a framework document along the lines of the compacts then in place in the UK, the sector hedged, having concluded that the time was not right for a formal agreement on an equal footing with government (CVSWP 2001).

The government established a Community Sector Taskforce to consult with the sector and to provide independent advice to government about progressing recommendations flowing from
the earlier working groups (O'Brien et al. 2009). The relationship between the Taskforce and the government was sometimes difficult, owing in part to the former’s firm commitment to embedding the government-sector relationship within a broader *Tiriti*/Treaty of Waitangi framework (O'Brien et al. 2009, p. 20). In 2004, then Minister for the Community and Voluntary Sector, Tariana Turia quit the Labour government over proposed legislation affecting Māori title to New Zealand’s foreshore and seabed. Turia went on to co-found the Māori Party.

Following the 2005 general election, the Labour/Progressive coalition government continued to address cross-cutting issues of practical concern to the sector. By 2007, perhaps sensing a possible change of government at the next election, the community sector signalled that as ‘our “official” knowledge of the *tangata whenua*, community and voluntary sector is very much greater now than it was when the Statement of Government Intent was released’, it was now time for the SoGI to ‘become a formal basis for action and accountability and a reflection of genuine partnership’ (ANGOA 2009). The government funded the Association of Non-Governmental Organisations of Aotearoa (ANGOA) to undertake an assessment of government responsiveness to the SoGI (O'Brien et al. 2009). However, ANGOA’s final report was not completed until 2009, after the election of John Key’s National-led government.

**Framing the problem**

By the time of the 1999 election the ‘neoliberalisation’ of New Zealand’s community services sector was well underway (O'Brien et al. 2009, p. 26). This new dispensation based on marketisation and contractual governance introduced a range of problems. The administrative and compliance apparatus of contracting imposed operational burdens and practical constraints on the sector (O'Brien et al. 2009, pp. 28-29). Although government came to depend on community and voluntary sector providers as never before, the influence of the sector as a collective policy actor was simultaneously eroded by its engagement in the new contract culture.

The election of the Clark Labour government presented an opportunity to re-set government’s relationship with the sector. New Zealand’s inaugural Minister for the Community and Voluntary Sector, Steve Maharey spoke of the ‘almost complete breakdown’ of the
relationship between Government and the community and voluntary sector. This he attributed to:

Unthinking adherence to a rigid contracting model, centralised needs identification and programme specification, and an unwillingness to acknowledge the independence of sector groups over the last decade (Maharey 2000d).

Shortly after coming to power, the Clark government established a Community and Voluntary Sector Working Party (CVSWP) ‘to consider the scope of a proposed agreement between government and Iwi/Māori, community and voluntary organisations’ (CVSWP 2001). The CVSWP noted ‘deep levels of frustration, mistrust, cynicism, anger and burnout’ arising from ‘community experience of dealing with governments over the past two decades’ (CVSWP 2001, p. 3). Even so, the CVSWP concluded that ‘the time is not right’ for an overarching framework agreement (CVSWP 2001).

A Community-Government Relationship Steering Group (CGRSG) was subsequently established ‘to oversee a work programme to develop strategies and practical solutions to the concerns identified’ in the first report (CGRSG 2002). The report of the Steering Group reiterated the observation that ‘throughout the 1980s and 1990s the community sector felt it was bearing the brunt of the economic market reforms, picking up an ever-increasing load with little recognition and support from government’ (CGRSG 2002). The CGRSG also noted that the relationship-building process initiated by the Clark Labour government ‘provided an opportunity to begin to effect a fundamental change in that relationship and in the culture of central government’ (CGRSG 2002).

In its first term the Clark Labour/Alliance government accepted the need to strengthen the capacity of the community and voluntary sector to enter into a conversation with government about a formal relationship framework. The government also committed to implementing a number of the recommendations set out in the commissioned reports prepared by the CVSWP (2001) and the CGRSG (2002). However, momentum gradually stalled and specific recommendations concerning processes for monitoring and accountability of government-sector relationship were not acted upon (Nowland-Foreman 2010).
Umbrella organisations such as the Association of Non-Governmental Organisations of Aotearoa (ANGOA) continued to highlight the adverse impacts upon the sector of organisational fragmentation in government and the inconsistent application of policy (ANGOA 2009, pp. 35-36).¹ The sector claimed that state sector reforms served to entrench organisational silos in government by reducing the oversight role traditionally performed by central agencies such as Treasury and the State Services Commission (2010, roundtable discussion with representatives of national umbrella organisations, pers. comm., 13 December).

The trajectory of the government-sector relationship from the 1980s is encapsulated in Figure 1 below.

**Figure 1 – Timeline and synopsis, NZ government-NFP sector relationship**

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<td>Lange Labour government elected in 1984 embarks on economy-wide structural and micro-economic reforms leading to the ‘neoliberalisation’ of the state services sector, including extensive privatisation and the marketisation of a range of public services. Community and voluntary organisations, once ancillary to state-provided public services, are enlisted as state service delivery agents.</td>
<td>Neoliberal reforms continue under the Bolger/Shipley National governments, but with a more ‘authoritarian’ caste. Community and voluntary organisations are pressed into service as contracted service providers with little input into either public or operational policy. State service sector ‘purchasers’ are paternalistic and focussed on compliance. Compliance regimes impose operational burdens and transaction costs on NFP sector service providers.</td>
<td>Clark Labour government introduces a partnership narrative to government’s relationship with the NFP sector and sponsors working groups comprised of sector representatives to advise on a way forward. The sector concludes that it is not ready to engage with government around a formal framework. Although progress is made over the course of the Labour government, a formal bilateral framework is elusive. In 2011 the National government presses forward with a largely unilateral Relationship Accord, much against the wishes of national umbrella organisations.</td>
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³ It should be noted that the charge of ‘fragmentation’ to some extent flies in the face of practical realities. As noted by the Controller and Auditor-General, procedural guidance ‘cannot be applied equally in all circumstances’ and attempts to apply uniform processes can ‘sometimes be counter-productive’ (Office of the Auditor General 2006).

The policy discourse

By the late 1990s policy actors within and outside government were cognisant of the impact of new public management-inspired reforms on New Zealand’s community and voluntary sector (Nowland-Foreman 1997). Furthermore, policy initiatives afoot in the United Kingdom...
and Canada to establish more constructive relationships between government and the third sector sharpened the concerns of New Zealand policy actors about the implications of continued policy neglect in the not-for-profit policy space (Maharey 2000d; Prestidge 2010).


Maharey advocated a ‘genuine and active partnership’ with community-based social service providers, noting the ‘mistrust and insecurity’ that had characterised government relations with the community sector (Maharey 2000a). He encouraged the sector to ‘seize this opportunity to work in genuine partnership with the Government’ (Maharey 2000a) and outlined the task ahead in the following terms:

The challenge for this Government, and for community-based providers, is to build a strong professional relationship based on trust, accountability and respect. We need to clearly assign accountabilities and responsibilities and to secure the right of both parties to hold independent views (Maharey 2000a).

The sector, however, harboured reservations about the prospects for a compact. New Zealand’s national umbrella organisations had come to the view that no one organisation, or even a coalition of organisations had the authority to make commitments on behalf of the wider sector. As one sector representative put it:

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2 Steve Maharey, Minister for Social Services and Employment from 1999-2003 made the following observations: ‘In the United Kingdom, high level agreements have been achieved between the Government and the voluntary and community sectors in England, Wales, Scotland and Northern Ireland. Each of these agreements (called “compacts”) has been developed along similar lines but through consultation processes better suited to each region. The implementation of these “compacts” has been dropped down to the local government level and it is there that their future will be determined. Canada has taken a different route to consultation by establishing Joint Tables, which have outlined a series of methods to encourage development of the sector and promote collaboration with government. Community and voluntary organisations in both countries have been drawn to these approaches in response to central Government’s withdrawal from providing a range of services. Along with this expanded role for the not-for-profit sector has come the demand for increased accountability from government and the pressures that brings. These pressures have placed substantial strain on the whole voluntary sector infrastructure. In New Zealand, the Government has already flagged a need to re-examine the nature of contracts in dialogue with community and iwi organisations. In addition, a project to find practical ways to minimise funding compliance costs is also in progress.’ (Maharey 2000d)
New Zealand’s too small – you can’t have a Stuart Etherington\(^3\), at NCVO, who does nice deals with the politicians and says ‘here it is’ … The sector wasn’t ready... [W]as the Federation [of Voluntary Welfare Organisations] or was ANGOA going to sign off on something with a government and then look around and get beaten about the head and ears by everybody else in the sector? High risk, no way, not achievable (2010, roundtable discussion with representatives of national umbrella organisations, pers. comm., 13 December).

A Community and Voluntary Sector Working Party proposed in 2001 that the Labour government ‘demonstrate its commitment to a new way of working with the sector’ through the articulation of ‘clear objectives for government agencies in restoring an improved relationship with the community sector’ in a ‘formal Government Statement of Intent’ (CVSWP 2001, p. 143).

Accordingly, the Clark government issued its *Statement of Government Intentions for an Improved Community-Government Relationship* (SoGI) (New Zealand 2001). Jointly signed by Prime Minister Helen Clark, and Minister Maharey, it set out in about 600 words the overriding goal of achieving ‘strong and respectful relationships between government and community, voluntary and Iwi/Māori organisations’ in recognition of their ‘unique and vital role in New Zealand society’. The SoGI encouraged state sector agencies to develop better relationships with their community and voluntary sector partners, but lacked concrete actions or measures to ensure compliance (Prestidge 2010, pp. 75-76).

In 2002 Maharey committed the Labour government to ‘practical and workable steps that will make a real difference for people who work in the community sector’ (Maharey 2002). The sector, however, called for ‘holistic’ reform which included coupling any future framework agreement with ‘political and constitutional issues relating to the Iwi-Crown Treaty relationship’ (CGRSG 2002, pp. 7-9).\(^4\)

Although a consensus of a kind did emerge from the various deliberative processes commissioned by government to provide advice, that consensus seems to have asked more of

\(^3\) Sir Stuart Etherington has been the Chief Executive of Britain’s National Council of Volunteer Organisations since 1994.

\(^4\) The Steering Group’s report and recommendations might have been seen by the government as a case of letting the genii out of the bottle as they seemed to go beyond the initial brief to address three priority areas: improving participatory processes around developing and making policy; reviewing resourcing and accountability arrangements; and strengthening the community sector itself (Maharey 2001).
the Labour-led government than it was prepared to risk. This set the stage for the National-led government elected in 2008 opting to by-pass national umbrella groups by engaging directly with communities and community-based organisations.

**The politics of cross-sector rapprochement**

Until the 1980s, New Zealand had a reputation as an archetypal ‘welfare state’ and a pioneering ‘social laboratory’ characterised by generous social payments, industry subsidies and high levels of regulation (Tennant *et al.* 2008). From the 1950s through to the 1970s New Zealand consolidated and extended its welfare state. During this period funding for community and voluntary sector organisations increased dramatically – in the process greatly expanding both the number and diversity of organisations established to fill perceived gaps in service provision or to advocate on behalf of particular groups or causes (Tennant *et al.* 2008). This new generation of politically assertive not-for-profit organisations was more prepared than the older established charitable bodies to challenge the status quo and offer criticisms of government policy (Tennant *et al.* 2008, pp. 27-29).

Meanwhile, a sector-wide voice failed to coalesce, possibly owing to a general acceptance at that time of the central role of the state in ensuring the welfare of citizens (Twyford 2008). Thus in 1975 the New Zealand Council of Social Service (NZCOSS) was established under the *Department of Social Welfare Act 1971* as a quasi-governmental organisation to provide advice to the Minister for Social Welfare and to encourage the formation and coordination of regional councils of social service (Twyford 2008). It was not until 1986 that NZCOSS became a fully independent national umbrella organisation alongside others such as the New Zealand Federation of Voluntary Welfare Organisations (formed in 1969) and the New Zealand Council of Christian Social Services (formed in the 1960s) (Twyford 2008, p. 2).

In the late 1970s New Zealand was buffeted by the twin shocks of Britain’s entry into the European Economic Community (EEC) – thereby removing the principal market for New Zealand’s agricultural produce – and the OPEC oil crisis. The National Party government of Robert Muldoon, then in its third term and increasingly unpopular, was defeated at the 1984 general election by a resurgent Labour Party led by David Lange. Labour, elected with an absolute majority, initiated successive waves of profound structural and public sector reform...
that eventually thrust the community and voluntary sector into the frontline of service delivery.

Beginning in the mid-1980s contracts steadily superceded untied grants as the preferred mechanism for directing government funding to community and voluntary organisations (Tennant et al. 2008; O'Brien et al. 2009). The ascendancy of procurement approaches to service delivery, coupled with resource scarcity, severely tested community and voluntary sector organisations, many of which felt that state requirements increasingly shaped their priorities and subverted their mission and values (Tennant et al. 2008, p. 31; O'Brien et al. 2009, p. 15). The advent of partnership discourses in the UK and Canada, and the adoption of formal cross-sector frameworks in both countries (Butcher et al. 2012) awakened interest in a reappraisal of the sector’s relationship with the state (O'Brien et al. 2009, p. 14).

By the end of the 1990s there were indications that the Bolger/Shipley National government (1990-99) had begun to accept the importance of improving the relationship with the community and voluntary sector (O'Brien et al. 2009). With the change of government in 1999 Labour lost no time making its mark in this policy space. Remarking on the ‘mistrust and insecurity’ that had come to characterise the relationship between government and the sector, Steve Maharey, declared:

We want to move past the narrow focus on what is in the contract and develop strong relationships that ensure the provision of effective programmes meeting real needs (Maharey 2000e).

The 2002 general election saw the formation of a Labour/Progressive coalition government. Labour’s Tariana Turia was appointed Minister for the Community and Voluntary Sector and she reiterated the government’s intention to ‘continue to develop a more effective relationship with volunteers, and the communities they support’ (Turia 2002b). Although not as senior in the Labour hierarchy as Maharey, Turia was proactive in her new role. She oversaw the development of a government policy on volunteering (Turia 2002a) and the establishment in 2003 of an Office for the Community and Voluntary Sector (OCVS). The OCVS would, inter

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5 Labour had called an early election on the pretext of the collapse of its junior coalition partner the Alliance Party. Following the election, Labour governed with the support of the left-wing Progressive Coalition, and with a supply and confidence agreement with the United Futures Party.

6 Although Maharey relinquished the Community and Voluntary Sector portfolio in 2002, he continued to hold senior cabinet-level portfolios. In October 2007 Maharey announced his intention to resign from cabinet to take up a position as the Vice Chancellor at Massey University (Trevett 2007).
alia, ‘play a lead in working with other government agencies to develop relationship plans with the NGOs they work with’ (Turia 2003a; 2003b) and provide guidance for public servants on good community engagement practices (Turia 2003c).7

Turia also brought to her role a long-standing commitment to Iwi/Māori affairs and she sought to make a closer connection between community and voluntary sector issues and issues affecting Tāngata whenua. However, in 2004, Turia broke with the Labour Party over proposed legislation to vest ownership of the country’s foreshore and seabed in the Crown – a move which she asserted ‘confiscates what little Māori have left’ (Hansard 2004).8 Turia was dismissed from the Ministry in April 2004 and resigned from the Labour government in May (Clark 2004; Beehive n/d). She went on to co-found the Māori Party and was re-elected to the Parliament at a by-election in July 2004 (Beehive n/d).

From the time of Turia’s dismissal until the change of government in 2008 a succession of Labour ministers served in Community and Voluntary Sector portfolio. However, there is little evidence of policy innovation or impact during this time. Paradoxically, the 2008 election saw Turia return to government, this time as the deputy leader of the Māori Party under the terms of a coalition agreement with the National Party led by John Key.

As a condition of the coalition agreement Turia was re-appointed to the portfolio the Community and Voluntary Sector portfolio and this helped to give a new lease of life to the policy goal of a relationship framework. Thus it was she who received ANGOA’s report on the SoGI (ANGOA 2009). Turia observed at the time:

> eight years on [from the SoGI] it is entirely appropriate that we reflect on the structures and the processes that have been built to create strong and respectful relationships with each other – and evaluate progress made, and developments yet to occur (Turia 2009).

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7 The establishment of the OCVS was initially welcomed by the sector as a gesture of the government’s ‘determination to improve the relationship between government agencies and community, voluntary and tangata whenua organisations (OCVS 2003). However, the OCVS was later criticised as ‘a small, low-level unit’ with ‘neither the status, nor the resources to address the New Zealand public sector’s lack of capacity for collaboration and coordination across agencies and departments’ nor the ‘levers’ to achieve a ‘whole of government’ approach (ANGOA 2009). Its situation (initially) within the Ministry of Social Development (MSD) ‘reinforced, in the minds of the public as well as government, a very narrow understanding of the sector as charities delivering social services to the needy’ (ANGOA 2009: p. 4).

8 The object of the Foreshore and Seabed Act 2004 was to ‘to preserve the public foreshore and seabed in perpetuity as the common heritage of all New Zealanders in a way that enables the protection by the Crown of the public foreshore and seabed on behalf of all the people of New Zealand, including the protection of the association of whānau, hapū, and iwi with areas of the public foreshore and seabed.’
In March 2010, with Cabinet approval, Turia established a joint community-government steering group to oversee the development of a relationship agreement and to lead an associated consultation process (Cabinet 2009; Cabinet Social Policy Committee 2011). The result was the *Kia Tūtahi Relationship Accord*, launched in 2011.

The Kia Tutahi/Standing Together Relationship Accord

In 2009, on the heels of ANGOA’s review of the SoGi, Tariana Turia sought approval from the Cabinet Social Policy Committee to begin the process of developing a draft relationship agreement. Cabinet invited Turia ‘to seek endorsement of a community-government Relationship Agreement, and principles for Effective Engagement with citizens and communities’ (Cabinet Social Policy Committee 2010).

Although Turia noted that there had since 2001 been ‘a sustained conversation between the community and voluntary sector about what constitutes a healthy, strong relationship’, she also drew attention to indications that ‘community-government interactions do not sufficiently reflect good engagement practices’ (Cabinet Social Policy Committee 2010). Turia also linked the ‘principles and intent’ of the relationship agreement to ‘strengthening trust’ in central government services as well as ‘clarifying the Government’s approach to social sector issues’ (Cabinet Social Policy Committee 2010).

In March 2010, Turia established a Steering Group comprising key government officials and a selected cross-section of persons from community and voluntary sector to oversee the development of, and lead public consultation on a draft relationship agreement. Co-chaired by Hori Awa, Chief Executive of Waahi Whaanui Trust and Don Gray, Deputy Chief Executive of the Ministry of Social Development, the Kia Tutahi Standing Together Steering Group (KTSG) would oversee development of a draft relationship agreement and lead a national consultation process (KTSG 2011; OCVS 2012a).

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9 It should be noted that funding for the review was approved by the then Labour Minister for the Community and Voluntary Sector, Ruth Dyson, in mid-2008, not long before the change of government. ANGOA’s report, *Good Intentions* (ANGOA 2009) set out 15 recommendations to which Minister Turia responded in her Cabinet Paper (Cabinet Social Policy Committee 2009). Among its recommendations, ANGOA advocated the establishment of a ‘Treaty of Waitangi Commission’. The National-led government announced in 2010 that it would undertake a wide-ranging review of constitutional matters, including the size of Parliament, the length of the electoral term, Māori representation, the role of the Treaty of Waitangi and whether New Zealand needs a written constitution. The review would occur over three years (English and Sharples 2010).
A number of national umbrella organisations harboured strong reservations about the legitimacy and authority of those appointed to speak on behalf of the community and voluntary sector. The Minister’s decision not to invite representation from the national umbrella organisations in the steering group was regarded by them as a political strategy to break the policy stalemate around the scope of any framework agreement (2010, roundtable discussion with representatives of national umbrella organisations, pers. comm., 13 December).

An exposure draft of the proposed relationship agreement was released for public consultation from July to September 2010. The consultation process included 17 regional assemblies, or ‘hui’ convened by the Steering Group; an invitation to make written submissions; and on-line forums. The draft was revised in light of feedback obtained during the consultation process and reissued for final comment in November 2010.

In April 2011 the KTSG submitted its final report in which the revised document – renamed a Relationship Accord – was commended as ‘both a base from which the future community-government relationship can be developed and another step forward in a continuing conversation’ (KTSG 2011). The KTSG acknowledged the ‘level of frustration expressed by national and umbrella community organisations that the agreement did not reflect concerns discussed over a long period, in particular, funding and government consultation practices’ (KTSG 2010).

For her part, Turia described the draft accord as ‘an aspirational document that lays a foundation for building strong relationships between the communities of Aotearoa New Zealand and the Government’: one which ‘provides a platform for enhancing community-government relationships across a wide range of portfolios’ (Cabinet Social Policy Committee 2010).

**A framework document at last**

A revised document received cabinet approval in May/June 2011 (Cabinet 2011; Cabinet Social Policy Committee 2011) and on 1 August 2011, the Kia Tūtahi Standing Together Relationship Accord (the Accord) was signed on behalf of the government by the Prime
Minister, the Minister for the Community and Voluntary Sector and the Associate Minister for the Community and Voluntary Sector at a ceremony in the Grand Hall of the New Zealand Parliament.

Unlike the SoGI, the Kia Tūtahi Relationship Accord included a mechanism whereby non-government signatories could signal their endorsement by electing to ‘sign-on’ to the Accord. At the ceremony a number of government officials endorsed the Accord and persons from ‘communities’ were invited to sign (OCVS 2012b). It was expected that the Chief Executives of government entities would also sign-on to the Accord and the heads of Crown Entities and State Owned Corporations would be encouraged to do so. A Kia Tūtahi Reference Group comprised of nine community and government members was established to guide implementation of the Accord. The reference group, which held its first meeting in March 2012, would provide advice on Accord communications and document examples of good practice.

Even before the Accord was launched, however, the government was proceeding apace with major systemic reforms. In February 2011, following a machinery of government review by the State Services Minister at the request of the Minister for the Community and Voluntary Sector (Minister of State Services 2010), the staff, resources and functions of the OCVS transferred from the Ministry for Social Development (MSD) to the Department of Internal Affairs (DIA).

Not long after, the OCVS ceased to exist as a separate office and its functions were integrated within existing operations of the DIA. A week after the Accord was signed, the government announced its intention to disestablish New Zealand’s charity regulator, the Charity Commission, and transfer its functions to the DIA from 1 July 2012 (DIA n/d) leading the sector to claim that Kia Tutahi had ‘failed its first test’ (Scoop 2011).

**An Accord, but between whom?**

Unlike formal cross-sector relationship frameworks in other jurisdictions, the Accord does not take the form of a bilateral framework agreement. Rather, it is presented as being ‘between the Communities of Aotearoa New Zealand and the Government of New Zealand’ and is described as ‘an important symbol of commitment between the government and
communities to engage effectively to achieve social, economic, cultural and environmental outcomes’ (DIA 2015a).

During the course of the consultations leading to the Accord, ComVoices, an informal coalition of national community sector organisations, posed the question, ‘can our sector have a strong relationship agreement, when one party is effectively all the people in New Zealand? (ComVoices 2011). Social Development Partners,10 representing a network of community sector organisations, expressed a preference for ‘a document that spells out the respective roles and responsibilities of parties, and has considerably more substance’ (Social Development Partners 2010).

The KTSG acknowledged an ‘apparent difference in view on who comprises the parties’ and noted the preference of national and umbrella community organisations for an agreement between the government of New Zealand and the ‘community and voluntary sector’ (KTSG 2010). In answer, the KTSG asserted that a more ‘inclusive definition’ of the parties – the ‘Communities of Aotearoa New Zealand’ – neither dilutes nor diminishes ‘the significant role of the national organisations and umbrella groups’:

A broader definition of ‘parties’ aligns with the Steering Group’s two phase approach. First, getting an overarching agreement in place. Second, working on the specifics of implementation in respect of particular relationships with parties that are already positioned to act (KTSG 2010: p. 1).

Moreover, the Steering Group claimed that those attending local and regional forums expressed a clear preference for the term communities because it ‘encompasses organisations, families and individuals’ (KTSG 2010). A senior official with the OCVS echoed this view:

It’s not what a lot of people expected, but, it did get a lot of support around the country ... quite a few people have an affinity with the word ‘communities’ and feel more allied to that concept, in terms of their contributing to their communities, than they do to the term community and voluntary sector (2010, senior official, OCVS, pers. comm., 14 December).

The same official also observed that people and organisations located outside New Zealand’s metropolitan centres, or situated within Māori and Pacific Islander communities, would not necessarily recognise themselves as being part of a community and voluntary sector: rather,

10 Formerly the New Zealand Federation of Voluntary Welfare Organisations.
they see themselves as a *community* (2010, senior official, OCVS, pers. comm., 14 December).\(^{11}\)

The decision to frame the Accord as a covenant between the government and ‘communities’ is, in part, a reflection of New Zealand’s distinctive political culture in which central government is dominant and national umbrella organisations are relatively weak. This is not to suggest that there is not a vibrant civil society sector in New Zealand. However, it appears that many community and voluntary organisations consider that they have a direct relationship with central government unmediated by peak organisations purporting to represent the collective views and positions of the sector. This is both a legacy of New Zealand’s bold experiment with orthodox principal-agent contracting and a reflection of the practical reality of the ‘coalface’ relationships between civil society actors and central government functionaries in regions and local communities.

It was clear throughout the consultation period that key national umbrella organisations had no great love for this proposed framework. It has been suggested that national umbrella organisations wanted an agreement that would set out an implementation framework in the form of an action plan to resolve a checklist of historical grievances in a way that binds ministers and the government (2010, senior official, DIA, pers. comm., 15 December). Certainly, the form and direction taken by the agreement-making process departed significantly from what was envisaged by previous cross-sector working groups.

**SoGI and the Relationship Accord compared**

If anything, the Accord is expressed at an even greater level of generality than the SoGI as indicated in a submission on the initial draft:

\(^{11}\) The relationship between government, the NFP sector and the ‘tāngata whenua’ is a ‘vexed’ one with constitutional and sovereignty implications for Māori. Although there has been strong community sector support for ‘separate and related Māori and non-Māori work streams’ in relation to government-sector relationships this has ‘always been resisted by the government’ (2010, roundtable discussion with representatives of national umbrella organisations, pers. comm., 13 December). According to the sector, it is only with the advent of contracting that one sees the emergence of Māori organisations that are not ‘iwi based’ (ibid). And although some Māori engage with policy processes *via* Pakeha organisations, more ‘traditional’ Māori regard the *Treaty of Waitangi* as their primary relationship with the Crown – a relationship that in the eyes of Māori is about shared governance (2010, senior government official DIA, pers. comm., 15 December). In that light, instruments such as the Relationship Accord are considered to be largely irrelevant to their interests (2010, roundtable discussion with representatives of national umbrella organisations, pers. comm., 13 December).
The 2001 Statement was already at a relatively high level of generalisation on these commitments, allocating just a brief summary paragraph to each, and needed to be put into more specific and hence accountable commitments. However, in most cases they disappear, or (at best) are reduced to even more vague sentences in the Draft Relationship Agreement (Nowland-Foreman 2010).

Observing that the draft ‘notably fails to take up any of the 15 recommendations from the 2009 Review [by ANGOA]’, Nowland-Foreman concluded that ‘we are no further forward than the 2001 Statement’ (Nowland-Foreman 2010).

Never intended to serve as a vehicle for systemic and structural reform, the Accord’s purpose is expressed largely in aspirational terms:

Communities and government are increasingly working together to navigate the cultural, social, environmental and economic challenges for our society. In this context, the Relationship Accord supports the building of strong relationships between communities and government, with benefits accessible to all, so that we can jointly achieve our vision (OCVS 2012a).

By invoking principles of individual and collective conduct that transcend the government-sector relationship, the Accord goes beyond the narrow instrumentalist aims of relationship frameworks in other jurisdictions. Yet, the aspirational terms in which it is expressed render it ineffective as a policy lever.

The core differences between the SoGI and the Accord are subtle. For example, the former outlined a communitarian project in which government, community, voluntary and Iwi/Māori organisations would work together to achieve shared goals. Although the Accord does talk about government and communities working together to navigate cultural, social, environmental and economic challenges, overall its language tends to reinforce the hegemony of government. The words ‘partner’ or ‘partnership’ do not appear.

Whereas the SoGI recognised community sector leadership, the Accord de-emphasises community and voluntary sector organisations whilst elevating the value of voluntary effort. The SoGI contained broad commitments to achieve change in areas such as the culture of government, a whole-of-government approach, participation in decision-making, funding and building sector capacity. Apart from a undertaking to ‘jointly resolve longstanding matters of concern, such as, participation in decision-making around policy and service delivery issues,
and funding arrangements’ the Accord sets out no priorities for action. Neither document makes any commitment to a process for implementation or on-going stewardship/governance of the framework. The Accord contains undertakings to be respectful and honest, act in good faith, work cooperatively and pursue good practices, and in this respect it more resembles a guide for good manners than a relationship framework.

Nevertheless, as one representative of a national umbrella group observed:

Negotiating the agreement is more important than the agreement … This is a process – the Relationship Agreement isn’t actually all that important – because in the process we have made huge gains … So you can just keep this bloody thing going, you don’t need an end-point because relationships are improving (2010, roundtable discussion with representatives of national umbrella organisations, pers. comm., 13 December).

These sentiments echo a widely shared view that the need for a formal relationship framework has been gradually overtaken by real improvements in the government-sector relationship (2010, roundtable discussion with representatives of national umbrella organisations, pers. comm., 13 December).

**Whither (or wither?) Kia Tutahi?**

Following the November 2011 general election that led to the National Party retaining government (albeit through confidence and supply agreements with ACT, United Future and the Māori Party) the newly appointed Minister for the Community and Voluntary Sector, Jo Goodhew, affirmed the government’s commitment to the Accord:

I see Kia Tūtahi as a lever for positive change where some government organisations may be lagging behind others to engage and work with the non-government sector. Many agencies will find, as some have already found, that the Accord is easily embraced into the way they do things from developing policies right through to the delivery of services to people around New Zealand (Goodhew 2012a).

The Accord, she said, establishes a framework and sets expectations for how the government and community groups can work together more effectively (Goodhew 2012a).

The DIA was directed to ‘focus on improving efficiencies for community organisations by providing better access to grants, reducing compliance costs, and streamlining grant funding
processes’ (Goodhew 2012b). The government also announced a cross-government project led by the Ministry of Business, Innovation, and Employment (MBIE) aimed at streamlining compliance standards for community and voluntary organisations that receive funding from multiple government agencies, and reducing ‘duplication in compliance costs and contract management processes’ (Goodhew 2012b).

But what of the Accord? Has it taken hold as a ‘lever for positive change’?

Apart from the Prime Minister, the Minister for the Community and Voluntary Sector Tariana Turia and Associate Minister for the Community and Voluntary Sector Hekia Parata, whose signatures appear of the version of the Accord launched in August 2011, as of December 2011, 16 officials and two members of Parliament had endorsed the Relationship Accord. As of 1 May 2012 – ten months after its launch – only 82 individuals and representatives of organisations had signed the Accord.

By 2014, the Association of Non-Governmental Organisations of Aotearoa had concluded, ‘Kia Tutahi has not gained the level of involvement or profile that the writers hoped for’ (ANGOA 2014). The government announced that the DIA would, in late 2014, ‘begin scoping discussions with stakeholders and review overseas approaches to improve government engagement practices’ as a precursor to a review of the Accord in 2015 (State Services Commission 2014). The review would focus on ‘government engagement practices and relationships with communities’ (DIA 2015b). At the time of writing the results of the review are not yet known.

**Conclusion**

It is clear that by the end of the 1990s the community and voluntary sector and the opposition Labour Party were in broad agreement that the relationship between the New Zealand government and the community and voluntary sector had become dysfunctional. There was also broad agreement that the solution might lie in a new and revitalised settlement. Over the ensuing decade the prospect of a formal relationship framework between the New Zealand government and the community and voluntary sector was kept alive by the opening of successive policy windows. Moreover, it appears that the nature of New Zealand’s electoral system, based on multi-member proportional representation (MMPR) helped to keep the policy window wedged open – as evidenced by Tariana Turia’s return as Minister for the
Community and Voluntary Sector after the 2008 election. In this regard, New Zealand’s experience differed markedly from that of Australia where majoritarian parliaments are the norm (see Butcher 2015).

The first such policy window was the 1999 general election that saw the return of a Labour-led government after a tumultuous period of economic and public sector reform by both Labour and National governments. The Clark Labour government took immediate steps to give effect to its commitments to address problems with the relationship, including the creation of a dedicated ministerial portfolio for the community and voluntary sector. In a speech to the Auckland Chamber of Commerce in June 2000, then Prime Minister Helen Clark made the following proclamation:

ours [is] a classic Third Way government – committed to a market economy, but not to a market society. New Zealand is, after all, a nation, not just an economy. And advanced nations must address broader hopes and aspirations for inclusion, participation, empowerment, fairness, opportunity, security, and identity – as we are doing (Clark 2000).

The inaugural minister for the voluntary and community sector, Steve Maharey was instrumental in placing a framework agreement on the policy agenda. However, the government and the sector had divergent views about the model and the scope of any settlement.

The community and voluntary sector wanted a settlement, but two important factors placed a compact out of immediate reach: first, it was concluded that the sector in New Zealand was not sufficiently developed to enter into a compact on equal terms with government; and second, there was an entrenched view among national umbrella organisations that any settlement with the sector must occur as part of a broader settlement with Iwi/Māori and would therefore entail a long-term program culminating in profound institutional reform.

The policy window opened once more when Tariana Turia took over the portfolio in 2002. Although Turia was not driven by adherence to ‘Third Way’ ideology in the same way as her predecessor, she nevertheless continued the reform path begun by Maharey and kept alive the prospect of a relationship framework. The policy window might well have closed with the
change of government in 2008 had Turia not split with the Labour Party in 2004 to help form the Māori Party, thus allowing her to resurrect her ministry within a National-led government.

As the Deputy Leader of the Māori Party and a signatory to a Confidence and Supply Agreement with the government, Tariana Turia was in a unique position to influence the policy agenda of the National-led government. Credited as the driving force behind the Relationship Accord, Turia seized the opportunity to finish the job begun when she held the same portfolio in the Clark Labour government (Māori Party 2008).

However, it seems that the national umbrella organisations overreached by seeking to bind the government to a comprehensive settlement that included treaty issues and institutionalised mechanisms for compliance and monitoring. As a result, Turia by-passed the national umbrella organisations and sought a new consensus by pitching the proposed Relationship Agreement/Accord directly to communities and organisations working at the coalface. The role of the already politically weak national umbrella organisations was thus demoted to that of just another stakeholder with no formal standing in the deliberative process.

In the end the National government supplanted Labour’s aspirational ‘Third Way’ rhetoric with an emphasis on pragmatic administrative and systemic reforms. Although the Kia Tūtahi Relationship Accord’s evocations of community are infused with a kind of conservative romanticism, there are as yet few indications that the Accord has resonated with communities, the community and voluntary sector or the state sector.

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