## Dale Quinlivan Local Government Assurance

How does information about the performance of a local government contribute to making it accountable to stakeholders for its performance in relation to its efficiency, effectiveness and sustainability objectives?

# Access To and Use of Performance Information

- "Activists" have a good understanding of how to access information
- Little use of annual report & financial information
- "Non activists" did not actively seek information and relied on what was presented to them

## **Perceptions of Performance**

- Personal experience
- Experience of family and friends
- Media
- Trust

## Priority Concerns

- Generally satisfied with efficiency and financial management
- Most concerned about quality of life and the provision of services to support it
- Local Government should be involved in all aspects and be measuring and monitoring key elements

## Accountability

- It is important for LG to be accountable.
- Financial and efficiency to be monitored by DLG and "others"
- Quality of life outcomes to be "judged" by the community

### Information About Performance

- Little direct use to assess performance.
- Sought and used to lobby on specific issues.

### Economics of Information

- Information is a commodity and has a cost.
- People will use information that has utility for them
- People will "purchase" information if the utility is greater than the cost
- The utility of information is influenced by a number of personal factors

# Accountability Types

- **Detached** residents that have little interest in the functions or services of local government and/or are not interested in its performance.
- Vicarious residents who are concerned about the performance of their local government but not sufficiently motivated to make use of information about it. They rely on others to monitor its performance including regulatory processes, ratepayer groups and community activists.
- **Specific Purpose** residents sufficiently motivated enough on a specific issue to seek and use information about it.
- **Engaged** residents who are motivated to take an interest and actively involved in monitoring the performance of their local government on a broad range of issues.

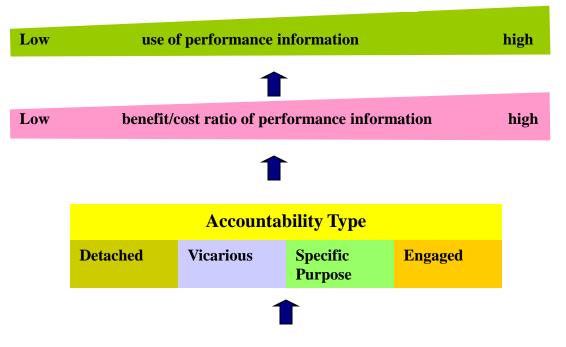
#### **Transaction Cost Factors**

- Personal factors need for LG services, concern for community, ability to influence decisions, perception of LG
- Institutional factors power relationships, legal systems, industry practice, behavioural patterns
- Exogenous factors and expectations of other people's actions public information, community values, government intervention

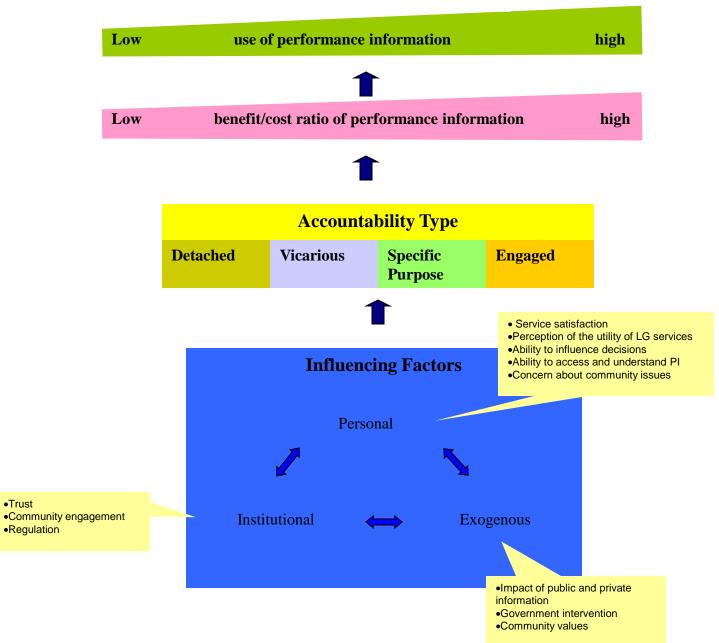
#### LOCAL GOVERNMENT ASSURANCE MODEL

Accountability Type						
Detached	Vicarious	Specific Purpose	Engaged			

#### LOCAL GOVERNMENT ASSURANCE MODEL

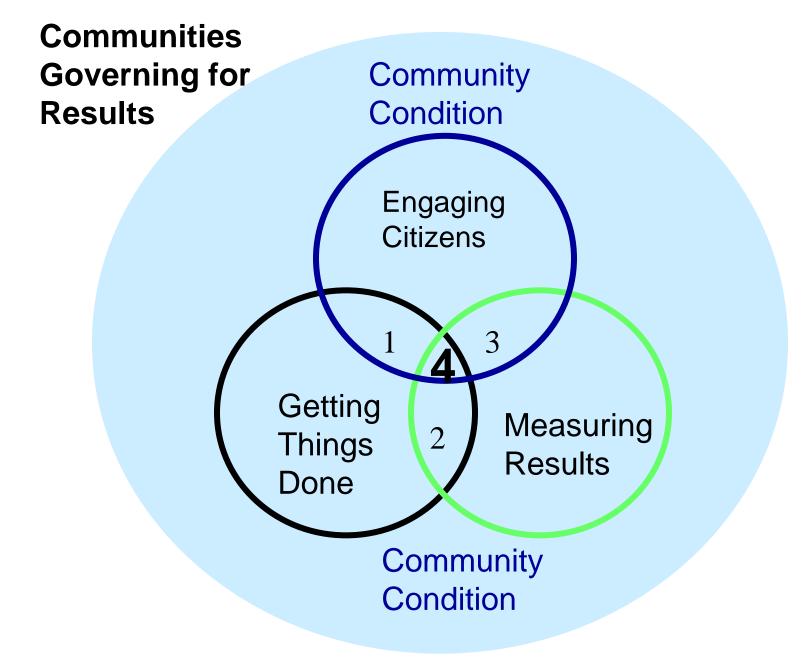


#### LOCAL GOVERNMENT ASSURANCE MODEL



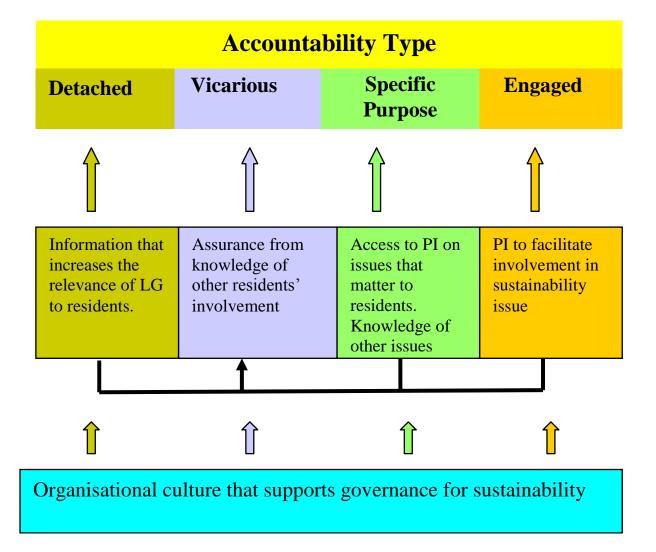
## Implications

- What, and how, LG use and disseminate PI
- Accountability efficiency, financial and outcomes
- Management approaches
- Sustainability programmes and reporting



Epstien, Coates et al 2006

### Sustainability Programme



#### Effect of Management Approaches

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<b>RESIDENTS:</b>	Detached	Vicarious	Specific Purpose	Engaged
MANAGERS:	We will evaluate our performance	We will report our performance	We will share information on specific issues	We will partner with others to identify what is important and if we are achieving it.