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**Sustaining Capacity: Building Institutional Capacity  
for Sustainable Development**

**Viv Heslop**

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for the degree of Doctor of Philosophy in Planning,  
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## **Abstract**

The task of converting the rhetoric of sustainable development to real action and change is one that poses significant challenges for local and central government agencies. The complexity of this task is compounded by the increasing acceptance that the impediments to advancing the sustainable development agenda are largely institutional. This thesis argues that, unless explicit consideration is given to understanding institutional change for sustainable development and the ways in which it can be enabled, little progress is likely to be made.

This thesis sets out to examine the contribution of building institutional capacity in enabling institutional change for sustainable development. In doing so it starts by developing conceptual frameworks for both institutional capacity and institutional change. The institutional capacity framework illustrates the integrated nature of capacity building for progressing sustainable development, and the conceptual framework of institutional change is designed to help agencies understand the complexity and holistic nature of institutional change. These conceptual frameworks were developed initially from an analysis of empirical material relating to the institutional issues associated with advancing sustainable development and were informed by the theoretical perspectives provided by new institutionalism and capacity building. Further refinement of the conceptual frameworks was possible by using a case study of a multi-agency public sector sustainable development initiative in the Auckland region of New Zealand.

Analysis of interviews revealed that the building of institutional capacity is enmeshed with institutional change for sustainable development. The failure to understand the

integrated and holistic nature of capacity building has an impact on the success of multi-agency public sector initiatives seeking to change current policy and practice. From the case study and further analysis of the empirical and theoretical literature it was possible to develop a set of institutional design principles that incorporate the conceptual frameworks and seek to make them applicable for the design of multi-agency initiatives. These institutional design principles were tested and refined through further interviews with case study participants, resulting in the development of a process for designing and implementing multi-agency public sector sustainable development initiatives.

The design process embeds the conceptual frameworks for institutional capacity and institutional change, and demonstrates that the task of progressing sustainable development is a process of change and can be enabled by a focus on applying the institutional design principles developed through this research. It is critical, first, that design of new initiatives takes account of the existing institutional landscape and identifies the necessary shifts in each dimension of institutions to ensure institutional change, makes as much use of existing structures as possible, is clear on the purpose of the initiative, specifies the extent of coordination sought between agencies and identifies specific mechanisms to steer integration. The second key component of institutional design is the identification of the institutional capacities required to support the institutional change sought from the initiative, their development during the course of an initiative, and the incorporation of evaluation and reflection as a key element of the process of implementation.

The findings of this research contribute to our understanding of the capacities required to facilitate institutional change and the elements of institutional design that can shape efforts by the public sector to advance sustainable development.

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Having time to think is often something that we lack as professionals, so being able to blend research with practice has allowed me the freedom to do just that. Over the past six or so years I have been on a journey that has taken me from being a planning practitioner working on a range of interesting projects, to being a sustainability strategist, who is passionate about helping clients to design and deliver projects that will advance sustainable development. The knowledge and learning gained through this research, my involvement in the Low Impact Urban Design and Development research programme, and a wide variety of exciting consulting projects, has challenged me to think differently about how to communicate change, strengthened my belief that all the professions can and must work together, and allowed me to more fully appreciate the enormity of the task placed on central and local government agencies and officials in progressing the sustainable development agenda.

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## **Glossary**

ASCP	Auckland Sustainable Cities Programme
DFID	Department of International Development
DMPC	Department of Prime Minister and Cabinet
ICLEI	International Council for Local Environmental Issues
LGA	Local Government Act
LIUDD	Low Impact Urban Design and Development research programme
MFE	Ministry for the Environment
OECD	Organisation for Economic Co-operation and Development
PCE	Parliamentary Commissioner for the Environment
PRISM	Pacific Rim Institute of Sustainable Management
PUCM	Planning Under a Co-operative Mandate research programme
RGF	Regional Growth Forum
RMA	Resource Management Act
SDPoA	Sustainable Development for New Zealand Programme of Action
UFDD	Urban Form, Design and Development
UNDP	United Nations Development Programme
WCED	World Commission on Environment and Development
WHAT	World Humanity Action Trust Governance Programme
WSSD	World Summit on Sustainable Development
WSUD	Water Sensitive Urban Design