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Transformations in identity, governance and planning: The case of the small city

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Abstract
Cities that have transformed in response to socio-economic crises are a focus of theorists interested in identifying why changes are triggered and how they are played out. Stories of success add to knowledge of 'fruitful' city functioning. This paper examines how transformations in urban governance and planning can unfold in smaller cities by scrutinising the New Zealand city of Invercargill. The city underwent metamorphosis from a faded town with a negative image to one that has a new path despite isolation and small population. Leadership, networking and innovation have been key factors. The paper unveils how development fortunes on the global periphery can be reshaped by strong place leadership, revised connections between different tiers of policy making, and reframed processes of governance and planning.

Keywords
leadership, local development, network governance, small cities, urban governance and planning

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Introduction

Urban governance literature has many examples of cities that have undergone transformation from 'dead-end' economies with associated social problems to new states of economic competitiveness and social well-being. Such transformation requires more than conventional land use planning and implies 'the abandonment of bureaucratic approaches and the involvement of skills and resources that are external to the traditional

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administrative apparatus' (Albrechts, 2011: 75). This represents a move away from conceiving of urban planning as a linear process (Albrechts, 2005; Lorentzen and Hansen, 2009), and a more creative, responsive style of governance involving multiple parties in an overarching strategic approach.

There are two key processes at play, relating to the structure and functions of local governments in city-making endeavours. First, changes in local government internal structures are visible in attempts to move outside traditional decision-making forms by reconceiving the parameters of leadership, governance and cross-territory/cross-sector networking. Second, local authorities have been looking beyond conventional land use planning functions to reimagine their city, and be innovative about opportunities.

This paper investigates the manifestation of these two related but distinct transformations in local government – reconfiguring of governance and reconfiguring of planning – by focusing on the small city. Our aim is to identify similarities with and distinctions from research reported on such transformations in the large city context. In particular, we ask what difference does scale, location and regional context make to these changes in governance and planning? What is unique about the small city experience? How do the specifics of place matter?

Studies of major world cities tend to dominate urban governance literature. As leading centres of economic growth and industry they are the focus for scholars theorising urban governance and planning. However, understandings of the way major cities function are not necessarily transferable to smaller or more peripheral cities, which face distinct pressures. Problems and opportunities are constituted differently: 'place matters' (Grint, 2010: 365). For example, smaller cities are often more vulnerable to economic decline and less resilient to economic 'shocks' such as closure of large employers. They lack the economic buffering of larger cities and may reach crisis-point earlier; they may have 'less possibility to develop along post-industrial paths' lacking 'a critical mass of highly skilled labour and knowledge institutions' (Lorentzen, 2013: 462).

Smaller cities are under-theorised, with urban theories being largely developed with 'exclusive focus on the biggest cities', which misses the full diversity of 'urban form and function' (Bell and Jayne, 2009: 683). Thus Bell and Jayne (2009: 689) seek to advance the agenda for studying small cities, with an important research goal being 'to understand more fully the ways in which small cities attempt to develop competitive advantage in the global urban hierarchy …'. From a different perspective, Robinson (2005: 2) argues that cities are best understood as 'ordinary' and all cities could be understood as 'autonomous and creative'. Indeed, despite their size, some small cities have adapted to economic challenges and managed to remain competitive in a globalising world, suggesting that transformability is related to functional qualities (autonomy and creativity) of these particular small cities. As advanced by Bell and Jayne (2009: 689), 'smallness' can be thought about 'in terms of influence and reach' instead of 'population size, density or growth': 'It's not size, it's what you do with it' (Bell and Jayne, 2006: 5). However, contrary to Robinson's (2002, 2005) aversion to categorisation, Bell and Jayne (2009) also argue for studying small cities as a type of urban system because of the theoretical value of specific lessons that can be learned from small city stories.

In the following section we review research on transformations relating to competitive advantage in smaller cities. We concentrate specifically on case studies in Denmark, the focus of attention from Hansen et al. (2007), Lorentzen (2009), Lorentzen and Hansen (2009), Therkildsen et al. (2009) and Lorentzen (2013). Linking with Danish cases offers a useful comparative context for

reflecting on the Invercargill example in our research. Denmark and New Zealand are similarly sized peripheral nations with comparably high levels of urbanisation. Taking a hierarchical view of urban-ness, each country is dominated by a major metropolitan centre, each with more than 1 million people (Copenhagen and Auckland, respectively). Most other urban centres have less than 100,000 people and there have been similar issues of smaller city decline in each nation, as the metropolitan economic hubs expand at the expense of lesser centres. The case studies in the two countries contemplate locally specific ways of functioning, reimagining and sustaining the small city. The paths taken demonstrate the difference that scale of operation in a small, stand-alone city makes compared with the situation in a metropolis or where small cities are connected in a regional network. In this sense, the work addresses the research agenda identified by Bell and Jayne (2009: 695): looking across case studies, analysing distinct way that small cities '"do" cityness'. While acknowledging the importance of other social and economic factors in transformation of cities, we focus on the changing landscape of governance and planning. These changes exhibit the extent to which place transformation is now occurring outside (but linked into) conventional planning and decision-making systems.

Reconfiguring governance and planning

In terms of governance, the emergence of various new forms of proactive, collective action between a variety of private stakeholders and public local institutions is important. Commonly, this trend has materialised organically as part of a gradual shift towards more sustainable development trajectories in globally challenged local areas (e.g. Bailey et al., 2010).

Brenner (2009: 443) describes how the entrepreneurial forms of urban governance that have emerged over the last decades are a range of different strategies employed by local governments in order to 'reignite urban economic development within an increasingly volatile economic context'. A key to enabling change is frequently a reconceptualised (activating) leadership combined with a revised (more participatory) system of local governance. International economic disruptions, through the 1990s and 2000s in particular, led to questioning of conventional leadership and governance arrangements. The result has been that in many Western countries, the 21st century has witnessed the former hierarchical leadership and placemaking paradigm being replaced by a relational paradigm in order to improve efficacy of contemporary city shaping (Collinge and Gibney, 2010). Collinge and Gibney argue the emerging leadership model is more broadly place-based than in the past, with key leaders needing to operate beyond their own organisations, beyond formal mandates, with more connectivity across tiers, institutions, sectors, stakeholders and communities to achieve an integrated approach to the local development context. They describe this as moving '*from integrated thinking* to *integrated working*' (Collinge and Gibney, 2010: 388). The complexity associated with developing collaborative capacity across horizontally and vertically dispersed stakeholders and activities is inevitable and challenging. As Healey (2006: 303) acknowledges, network governance is 'a complexly intertwined social reality in which integrations and boundaries, cohesions and exclusions cannot be read off from simple "maps" of organizational structures'. However, research by MacNeill and Steiner (2010) suggests that 'soft' relational dynamics embodied in such an approach may be more easily achieved at more intimate local scales than at metropolis level because of greater

potential to nurture trust and collaborate over future directions.

Turning to planning, Sandercock (2004: 136) suggests that '[t]he essence of 20th-century planning was regulatory, rule bound, procedure driven, obsessed with order and certainty: in a word, inflexible'. However, more recently, in a context of sharp economic changes and fluid networking and collaboration, local government planning too has shifted to more opportunistic, non-regulatory, informal and locality-oriented activities, leaving behind traditional approaches to land use planning (Therkildsen et al., 2009).

While more entrepreneurial, connected governance styles are ideas with global uptake, planning transformations in different contexts have also been framed in terms of shifts in local planning culture (see Knieling and Othengrafen, 2009; Taylor, 2013). This 'cultural turn' allows 'a greater awareness of both cultural and territorial contexts' (Knieling and Othengrafen, 2009: xxiv). Insights into the reconfiguring of governance and planning can also be gleaned through policy transfer and mobility literature (see McCann and Ward, 2013). Peck and Theodore (2010: 169) distinguish conventional understandings of policy transfer whereby 'producer-innovators and consumer-emulators engage in freely-chosen transactions, adopting policy products that maximize reform goals', from more nuanced understandings of policy *mobility* which understand policy transformations to be 'intrinsically political'. Local governments assemble governance practices 'in particular ways and for particular interests and purposes' (McCann and Ward, 2013: 9), i.e. context is important.

One important recent shift has been towards a re-emphasis on 'place', particularly focused on place-making and place-shaping as legitimate pursuits of local authorities (Lyons, 2007). Allingham (2009) points to benefits that small cities in particular can draw from their place-based and cultural heritage regarding the direction they give to local development. In some cases, spatial planning is de-emphasised in favour of actioning tailored, collaborative projects aimed at turning around the local economy and a city's identity and image. 'Planning' has been called in afterwards to attempt to establish coherence to the pattern of projects already emerging (Therkildsen et al., 2009). Thus, in small cities we see distinctions in regard to both governance and planning shifts that are worth exploring.

Economic transformations and their relationships with transformations of urban governance and planning have been the recent focus of in-depth case study research in the small Danish cities of Frederikshavn (Therkildsen et al., 2009) and Horsens (Hansen et al., 2007). These cities have been driven to do things differently; and to achieve 'success' a number of ingredients seem to be important. Transformation has entailed strong leadership and entrepreneurship combined with willingness to take risks. A shift in economic paradigm offers opportunities for smaller cities to take on new roles (Lorentzen, 2009). Whereas the 'knowledge' economy may favour large metropolises, some smaller cities such as these two have been able to carve out niches as 'experience' providers.

New forms of governance and urban development patterns are emerging in conjunction with such changes (Hansen et al., 2007; Lorentzen and Hansen, 2009). In common between the two Danish cases were modifications in the role of government, and public and private interests in urban planning and design. Where once urban governance was state-dominated, market actors and other stakeholders now have a greater role. For example, new partnerships formed between civic and private sectors (Therkildsen, et al., 2009) and governing

moved from hierarchy to 'action-oriented network steering' (Hansen et al., 2007: 9).

In addition, governance transformations prompted changes in institutional form and governance, involving new groups and networks of actors and new ways of working together (Therkildsen et al., 2009). The importance of networks is emphasised in these new forms. Network governance is linked to a move away 'from the welfare and redistribution concerns of local democracy to policy formation that stresses flexibility, innovation and entrepreneurship' (Aarsaether et al., 2011: 308). Traditional welfare policies and land use planning become integrated within the context of place branding and development (Lorentzen and Hansen, 2009: 824). Such strategic governance is associated with planning practices becoming less formal. Municipalities downplay conventional plan-making, and instead take an entrepreneurial focus (Aarsaether et al., 2011).

However, there are fears that these more ad hoc forms of governance may reduce opportunity for adequate participation. Perceived rushing through of projects raises legitimacy concerns (Therkildsen et al., 2009: 938). Since the emergence of network governance as a new form of decision-making, increasing attention has been paid to whether governance networks aimed primarily at efficiency can lead to governing democratically (Aarsaether et al., 2011; Sørensen and Torfing, 2005). Therkildsen et al. (2009) suggest that there may be a natural limit to the extent to which governance and planning can be ad hoc and action-oriented. Therefore, a degree of equilibrium between traditional land use planning and new forms of governance may be necessary for long-term success.

The above in mind, we ask to what extent do such issues occur in the New Zealand small city context? Our research aims to complement the work in Denmark, providing an alternative example of small city approaches. Our investigation is courtesy of an in-depth case study of Invercargill, New Zealand where we ask what are the key networks, arrangements, mechanisms, ideas and initiatives that have moved Invercargill on to positive fortune? Specifically, we seek to answer what are the factors at play in Invercargill that have led to transformations in governance and planning and what roles have different actors played in the transformation from hierarchical to network governance? As a direct comparison to the Danish case studies we identify a number of local projects or initiatives that have emerged in recent years and ask what are the specific changes to planning and governance that have facilitated their emergence?

Methodology

We take a post-positivist interpretative approach, whereby our key themes have been derived iteratively from the research itself rather than dictated prior to data collection; that is, developed via a dialogue between primary material and the literature.

The empirical component of the work is based on nine semi-structured interviews supported by analysis of public planning documents, reports, news articles and conversations and observations with political, administrative, business and community stakeholders.

The research was undertaken between 2008 and 2010 in Invercargill. Key informants were chosen on the basis of their roles in governance/planning in Invercargill (for instance as employees of the local council or economic development agency). The semi-structured interview guideline focused on investigating changes in the practices of actors and networks, economic activity as well as city policies, strategies and plans. The interviews provided a rich source of material from actors right at the 'coalface' of changing governance practices and processes.

In interpreting the data we use thematic analysis with open coding to sort the interview material into themes. We use quotations that best represent each theme from a wider collection of quotations, to present the case study analysis.

The transformation of Invercargill, New Zealand

Like other Western nations, governance in New Zealand has been trending towards reduced state domination, devolution, transparency and greater market orientation, while at the same time the importance of public participation in decision-making is more strongly emphasised. Reforms of local government and planning legislation in the late 1980s and early 1990s began an ongoing series of far-reaching changes to both local governance and planning practice. The Resource Management Act 1991 is New Zealand's principal statutory document in regard to planning, which is devolved to local government. Historically, this statute focused planning on managing adverse environmental effects from land use activities (Grundy and Gleeson, 1996). Concomitantly, it paid no direct attention to urban planning. However, more recent changes to the implementation of the Act combined with the agenda of the Local Government Act 2002 resulted in a renewed potential for pro-active urban planning by local government. The Local Government Act 2002 directs local authority activities. Its introduction enabled city councils 'to promote the social, economic, environmental and cultural well-being of communities', via a strengthened local democracy (Borrie et al., 2004: 1). Collaboration between government agencies, other service providers and various sector organisations was encouraged to achieve community aspirations (Borrie et al., 2004: 1). The last two decades of changes in New Zealand mirror the trends noted above internationally.

Furthermore, as noted above, New Zealand is comparable with Denmark in terms of its population size, city hierarchy, peripheral location, scale of economic challenges and recent national-level ambitions for the governance structures and planning roles of municipalities (Hansen et al., 2007). Like Denmark, in New Zealand many smaller, more isolated cities have struggled to maintain population levels, with the migratory drift to the country's larger economic centres. Invercargill, located at the far south of the South Island, is New Zealand's most geographically isolated city.

Invercargill is administered by Invercargill City Council and lies within the wider Southland Regional Council area. The latter is responsible for setting environmental policies for the region while the City Council is responsible for urban planning. By the early 1980s the city's population had peaked at nearly 60,000 before a decline to approximately 50,000 by 2001 (Invercargill City Council, 2005). The decline was in part attributed to changes in central government economic policy during the mid-1980s. A far-reaching shift in government direction led to a centralisation of services in the larger centres, and loss of public service jobs in smaller centres. By the mid-1990s, Invercargill had become the 'fastest declining city in Australasia' (Key Informant 5). Families were leaving the area, schools closed or merged, the population was aging, and property prices plummeted (Elder, 1999). Negative perceptions of the area were felt by outsiders and residents alike.

By the end of the 1990s the region's leaders resolved to act to counter depopulation and the City Council began a national promotional campaign, portraying Invercargill as a good place to settle (Elder, 1999). For a city of its size, Invercargill is now well served with facilities. A number of successful

initiatives and events have attracted investment and raised the city's profile.

The period between 1998 and 2010 saw a radical change in both fortune and attitude within the city and an improved external image. We saw parallels between the experience of the small Danish cities and Invercargill, and set out to ask how this city has been able to transform, and to what extent the similarities with the Danish stories might illuminate small city experience?

Factors for transformation in Invercargill

The first key factor for transformation, as in the Danish examples, was the perceived need for change – Invercargill was a city 'in crisis' and the community and its leaders 'knew it'. This opened the door to the second key factor – the election of a charismatic leader, Mayor Shadbolt, to head the council. Shadbolt, previously a mayor in the North Island, was already one of New Zealand's best known local body politicians, with a reputation for enterprising ideas and enthusiasm: 'a man with a permanently sunny disposition' (Edinburgh Rugby, 2011). His arrival has subsequently been credited with creating positive change in the city's fortunes by many citizens and external commentators. Shadbolt expresses significant ambitions for the city, aiming to 'transform the perception of our city from a cold, dying rural backwater to an exciting, dynamic, entertaining, innovative centre of excellence' (Shadbolt, 2011: 1).

More broadly, Invercargill's leaders have shown preparedness to be risk takers. The City Council developed its own role in turning the situation around. It realised central government was not going to prioritise regional issues and therefore they needed to find a 'backbone' from within (Key Informant 3).

Also important has been the relative stability of the City Council's elected members in allowing continuity through the short three-year electoral cycles which local authorities in New Zealand are subject to: 'if you have stability, you can do a hell of a lot. If you have a complete clean out each time you don't get much done' (Key Informant 5). Mayor Shadbolt is also the longest serving mayor in New Zealand. Informants were agreed that, since the late 1990s, concerted action to move forward in the city had given assurance in the future. Over time, as the vision for progressing ahead showed signs of success, trust developed amongst decision makers and a degree of confidence grew in taking risks in order to transform the city. That positivity fostered stability – based in development dynamism rather than stagnation. In addition, many of the senior managers have been employed at the City Council for decades, representing a wealth of institutional knowledge. One council officer explained staff longevity as partly a matter of necessity as there are fewer options for working in Invercargill. However, job satisfaction relating to working mode was also cited as a factor: staff members are given a range of projects to work on and innovation is encouraged. The culture is also one where staff members have ease of access to their managers, allowing a relaxed, informal style, potentially allowing projects to be advanced quickly.

In sum, our findings indicated that economic decline, combined with new leadership, and a council both stable and prepared to be innovative, were key foundations for the shift towards transformation in Invercargill. Decisive in pushing that transformation along were networks established, initiatives backed, and a change in approach to planning and governance. These latter three factors are illustrated in the following sections.

Key actors in networks

While Invercargill City Council is the key regulatory authority for the urban area,

alliances between the Council and other agencies have been one of the most significant factors in creating opportunities for the city. The local economic development agency, Venture Southland, is a joint undertaking between Invercargill City Council and other local authorities in the Southland region. It was established when Southland District (the territorial authority administering the rural area immediately surrounding Invercargill) and Invercargill City brought their tourism, community development and promotional arms together. Unlike other economic development-focused agencies in New Zealand, a significant part of its role is community wellbeing. The agency works with communities, seeks ideas for funding, develops programmes and delivers benefits 'back down' (Key informant 4). The agency's Southland-wide role attests to the importance of the whole region for Invercargill's fortunes, with the city relying heavily on the natural resources of the region. The councils and Venture Southland work on many joint projects together, sharing computer technology, making more efficient use of resources, and have regular meetings between top tier managers. The importance of getting on with each other is recognised:

> It's all about relationships and the need I suppose. It's becoming more commonplace throughout New Zealand now, but at the time … there wasn't that need. And you had to have something spark, like a downward spiral, and think 'hey we have to do something about this'. (Key Informant 5)

One key informant notes while Southland and Invercargill councils originally worked together out of necessity, benefits became evident and 'a working together culture' emerged, with one key informant noting that 'nobody could solve it individually, but collectively you could' (Key Informant 5).

Many of the services and facilities that have been developed in Invercargill are jointly owned and run for all of Southland:

> We see ourselves more and more as a whole, and recognising the interdependent relationship has helped us focus on where we need to be … The city relies on its hinterland and we are basically the service centre for Southland … Maybe that's why Invercargill and Southland have prospered. Because we try to find alliances, it's now become part of the culture … I think that it's the mind-set. (Key Informant 3)

Venture Southland works on approximately 200 projects of varying size at once, receiving funding from the councils, community trusts and central government. Invercargill City and Venture Southland network with a number of agencies, facilitating business and growth opportunities. Networking with the community is facilitated through community groups, boards and committees, local promotional groups and sporting organisations. Community buy-in has been an important factor in the path the city has travelled in the last decade and one informant describes there being 'a community coherence' (Key Informant 3). Furthermore, as another informant noted, organisations such as Venture Southland:

> … tend to work well in communities that have a strong sense of community. If you exist just to survive then it's probably more difficult to promulgate … the type of relationships that we have. But generally speaking, in smaller communities you have a good strong sense of community, sense of position. (Key Informant 2)

In addition, Invercargill and Southland are fortunate to have a rather unique situation within New Zealand; there is 'a disproportionately large amount of community capital' (Prendergast, 2004: 2) in the form of the Community Trust of Southland and the

Invercargill Licensing Trust. The Trusts have helped fund projects such as a swimming complex, Civic Theatre and Stadium Southland. For a small city, and lightly populated region, the availability of community funding is significant and consequently 'the quality of the community facilities in Invercargill is amazing' (Key Informant 3).

The importance of the roles played by these various organisations is highlighted in the range of initiatives undertaken in the city since the mid-1990s.

Key initiatives

These networks and partnerships, alongside the qualities of leadership and willingness to be innovative, have led to several initiatives that have contributed to the transformation of Invercargill. Table 1 below lists several of the key projects. Many have been opportunity-based while others have been preceded by more deliberate strategies. Two key elements are demonstrated in this table. First is the breadth of initiatives being undertaken, as seen in the first two columns. This parallels insights gleaned from literature regarding the shift, via local leadership, beyond traditional siloed operation towards a broad range of activities working across sectoral confines and beyond public-sector formal mandates towards a more inclusive approach to areas of action.

Second, in the third column of the table, all initiatives show involvement of at least one public body, with most also having private-sector involvement. Again, this mirrors what was reported earlier in the literature. In Invercargill there is a definite connectivity across institutions, sectors and stakeholders, successfully demonstrating collaborative capacity amongst diverse organisations. Four example initiatives are highlighted below to give a sense of the variety of cooperative activity taking place.

One of the best known and most successful examples of innovation and community capital being brought together in Invercargill was the implementation of the Zero Fees scheme at Southland Institute of Technology (final row in table). This attracted many students from outside the region. The attractiveness of the scheme meant enrolments exceeded targets, and a surplus was posted in the first year. The scheme also affected the local economy positively through the arrival of new families to Invercargill, with many mature students enrolling in courses (Crayton-Brown, 2012). Mayor Shadbolt praised its success:

> … It made us look like a smart city instead of a rural backwater … We looked like we were on the cutting edge of education. We were making things happen. We were being innovative … No one expected a city like Invercargill to really take a lead throughout the country in tertiary education … (Shadbolt, 2008)

A second project, the Education Southland programme (sixth row on the table), was a joint initiative between Southland Institute of Technology, Venture Southland and secondary schools in Southland, set up to market Southland to overseas secondary school students. They have had success in attracting students from around the world and have developed formal business relationships with overseas schools. Southland District Mayor stated 'Southland is a quality education destination' and the presence of students from around the world 'reinforced the fact that Southland is becoming a truly global community' (Cardno, 2011).

A third success story was the creation of a sporting 'hub' (second to last row on table) – both in terms of hard and soft infrastructure. Invercargill is well served for a city of its size with a stadium and velodrome, and collaborative partnerships between Sport Southland, the local authorities and funding agencies. Its velodrome was New Zealand's

Table 1. Key initiatives undertaken in Invercargill between the mid-1990s and the late 2000s.

Project	Description	Key actors and organisations
Biotech industry	Pig breeding facility for medical research and proposal for research laboratories to be co-located	Invercargill City Council – Mayor Tim Shadbolt, Living Cell Technologies, Venture Southland
Branding and promotion	Southland branding campaign	Venture Southland
Creative Southland	Fostering development of the arts and culture in Southland through networking opportunities, promotion and facilitation	Venture Southland
Crops for Southland	Society set up to support 'innovation and growth' of the cropping industry in Southland	Venture Southland
Digital Southland	Further development of infrastructure as set out in the *Southland Digital Strategy*	Venture Southland
Education Southland	Marketing scheme to attract overseas secondary and tertiary students to study in Southland	Southland Institute of Technology, local secondary schools, Venture Southland
Energy efficient and well designed dairy sheds	Project to improve energy efficiency and design of dairy sheds	Venture Southland, Canterbury University, former Ministry of Agriculture through the Sustainable Farming Fund
Film hosting	Facilitating the location of international and national films in Invercargill/Southland	Film Otago Southland, Invercargill City Council, Mayor, Southland District Council
Food South	Food related networks and initiatives, capitalising on Southland's local produce	Venture Southland
Major events hosting	Bids to host major events such as conferences and Rugby World Cup matches	Invercargill City Council, Venture Southland, etc.
Mineral resource extraction	Facilitating proposals to explore offshore oil and mine deposits of lignite and silicon	Venture Southland, Southland Energy Consortium
Space and radio	Integrated management of space and radio related projects located in Invercargill/Southland	Invercargill City Council, Venture Southland, New Zealand and Australian Universities and International Space Agencies
Sporting and leisure hub	Hard and soft infrastructure including Stadium and Velodrome, Southland Aquatic Centre and networks of organisations involved in sport and leisure activities working together under the Southland Leisure Strategy	Invercargill City Council, Sport Southland
Zero Fees scheme	Scheme to allow tertiary students to complete a qualification without fees	Southland Institute of Technology, Venture Southland, Invercargill Licensing Trust, Community Trust of Southland, Invercargill City Council, Southland District Council

first indoor cycling facility, reflecting Invercargill's long history of competitive cycling. The Stadium opened in 2000 and has hosted international acts, sporting, cultural and corporate events.

Finally, along with education and sport, science is also on the city's agenda. A new biotech facility (first project in table), breeding the rare Auckland Islands Pig for research into illnesses, was welcomed by Mayor Shadbolt and Invercargill City Council as potentially bringing millions of dollars into the region. Shadbolt facilitated the fledgling project by financially supporting accommodation of the pigs from his Mayoral Contingency Fund. Shadbolt stated it was his 'highest priority' to establish a pig-related biotech industry, to 'create over 1,000 jobs' (Shadbolt, 2011: 1).

Overall, while some of the initiatives were partly deliberate approaches, others were based on quick responses to fortuitous opportunities. As one key informant put it: 'you can't really plan for any of that to be honest … every single one of those things has come out of the blue really'.

Changes to planning and governance

Concomitantly, the planning and governance of Invercargill has undergone a transformation since the late 1990s. Conventional regulatory planning has been de-emphasised, with the Council's philosophy being 'create incentives and encouragements by other means' (Key Informant 3). Council officers we interviewed were clear that this philosophy was vital in the changing fortunes of the city.

We uncovered several key themes regarding transformations (including perceptions) of governance and planning in Invercargill since the mid-1990s. In terms of governance structure, we identify three main themes: leadership, community participation and network governance. We identify collaboration, integration, identity, opportunistic planning and entrepreneurship as key themes relating to a more flexible planning function.

The first governance theme in the findings relates to the shift from a conservative to innovative style of leadership. Informants give considerable weight to the election and ongoing re-elections of Mayor Shadbolt. The mayor is recognised as a leader with novel ideas and an enthusiasm for thinking outside conventional practice concomitant with willingness to take risks and take others with him on that journey: 'the big one was Tim Shadbolt being elected. He said alright we are going to put a bomb under this city, "boom boom boom" and that was it'.

The case study illustrates the impact of strong place leadership and collaboration in turning around the state of a city in decline. This resonates with the work of Bailey et al. (2010) which identifies the importance of place-renewing leadership and organic forms of joint action in moving cities along more sustainable trajectories. There is clear rationale for the compelling relationship between leadership and development in Invercargill. The Mayor's personal style of encouraging innovation and risk-taking helped create favourable circumstances for city growth. Support for the approach of the last decade, and the Mayor's initiatives, is not unanimous, and there remains careful scrutiny from some quarters, particularly regarding the use of public funds. However, Mayor Shadbolt's success in the 2013 local government elections suggests the majority approve of his leadership.

The second governance theme conveys the move from reliance on representative democracy to more participatory decision-making processes. This has been somewhat ad hoc in nature, but has incorporated key public agencies (the councils and Venture Southland) actively seeking input into programmes and strategies by undertaking a variety of interactive activities. As one Venture Southland staff member stressed,

'We don't want to be seen as being a top down approach … it's really just trying to respond to [the community's] needs' (Key Informant 7).

The final governance theme depicts the transition to a network mode of governance. Governance has become more collaborative and strategic: 'in Southland, … we look at ways of combining forces … And we have joint projects all over the show … There's probably about 50 separate initiatives of that sharing nature' (Key Informant 8). The City Council and Venture Southland in particular have led development designed to make the most of opportunities and solve issues. A ten-year strategy for development guides their work, via a set of overriding goals. An annual action plan contains the detail for implementation and is where adjustments can be made.

A 'particular ease of networking' described by Lorentzen (2009: 12) as being potentially associated with smaller cities is clearly evident in Invercargill. The creation of Venture Southland and its resourcing through local councils has not only allowed new alliances to form between councils, businesses and community but also allowed oversight of projects in a kind of 'meta-governance'. MacNeill and Steiner (2010) signal the value of such organisations in terms of offering neutrality that more easily fosters 'buy-in' from diverse actors. In Frederikshavn, for example, a project and communications division was established to provide a cross-disciplinary and coordinating role with some similarities to the role Venture Southland plays in Invercargill and Southland. However, as a new, impartial organisation, Venture Southland's significance is greater. It also demonstrates the 'soft spaces' notion of working with fuzzy boundaries that reflect functional aspirations rather than formal territorial jurisdictions (Collinge et al., 2010; Walsh, 2010).

The first planning theme is linked to this shift to network governance. It involves collaboration in the form of partnerships between horizontally or vertically distinct agencies in order to engage proactively in planning projects via a process of joint ventures. Informants suggest that this mode of operation is normal practice in Invercargill's planning now, whereas 15 years ago these agencies were more insular: 'working together is the culture now'. Invercargill was also compared favourably with other local authority experiences: 'I know some places in New Zealand … won't even speak to each other … but we knew we had to collaborate'.

Allied to this is the second planning theme of integration. In this case, the move has been from managing different planning functions separately to taking a holistic view across a raft of planning functions. Informants speak of the value achieved, for example, from working on planning initiatives with a view to broader economic, environmental, social and cultural costs and benefits, and being prepared to call on appropriate resources when working through that process.

Identity is the third planning theme. There has been a concerted effort to focus attention in planning on the re-imaging of Invercargill. Capitalising on the city's Scottish heritage, friendly reputation, historic buildings, access to nature and relaxed lifestyle has been at the forefront. Apparent local disbelief in the city and its dour reputation with those further away has turned around (Barber, 2004). By way of example of measures undertaken, Invercargill's leaders recognised the need to focus on the identity of the city centre to make it a more attractive place for people to be and to reverse the trend of businesses locating elsewhere (see UrbanismPlus Ltd et al., 2011).

The final two planning themes are the related activities of entrepreneurship and opportunistic planning. In Invercargill there has been a decisive side-stepping of conventional and regulatory planning and an embracing of the role of enabler. This has

involved proactive planning, provision of incentives for development, and uptake of pioneering and even risky ventures. For example, the Invercargill City Council District Plan, in keeping with the move away from regulatory planning, is relatively simple and permissive in terms of new business, which has enabled the Council to capitalise on opportunities for growth: 'business has been our priority' (Key Informant 5) and the plan is intended to 'protect values' but at the same time be flexible enough 'to reflect new developments'. For instance, financial contributions for new developments were not sought from developers by the Council, despite the legal right to them. These 'were very conscious decisions, because we wanted to encourage development' (Key Informant 3).

In keeping with the research of Aarsaether et al. (2011), governance in Invercargill has also 'softened' in nature as urban economic growth has taken the main focus over the period studied. As in Frederikshavn, traditional land use planning has taken a back seat and governance has become more strategic and instrumental in focus. The Invercargill case therefore demonstrates a transformation in the role of local government.

Invercargill's transformation has not primarily been towards a 'creative' or 'experience' oriented city; rather it has diversified into an education, biotechnology and industry-serving city. In line with Brenner (2009) the 'project' of entrepreneurial urban governance found its own particular expression in Invercargill.

Despite the largely positive view of Invercargill's governance and planning transformation, one of the criticisms levelled at the new style of city governance is that there has been a lack of intelligible spatial planning. As with the Danish cases, the concern is that governance has become developer-friendly at the expense of a comprehensive plan. Thus more recently there has been some degree of swing in thinking towards achieving a little more control over development, particularly in terms of restoring a more holistic coherence in the planning of the city. The Invercargill District Plan:

> … was drafted at a time when there was little pressure on land/property for growth. The nature of the Plan has resulted in development, subdivision and land use that may not have been anticipated back in the 1990s. We are keen to develop a Plan that supports growth and development designed in consideration of the environment and the wider community. (Invercargill City Council, 2011: 1)

Invercargill City Council has thus acknowledged the need for re-focusing spatial planning via a review of the District Plan and by giving particular attention to integrated town centre policies.

There is also some uneasiness about potential adverse environmental effects of increasing activities such as dairying and lignite mining: 'I guess from our point of view, sometimes we have to advance projects that morally we might not necessarily be happy with … the best we can do, in many cases is to try and establish the best environmental outcome, and the best potential value added' (Key Informant 2). This resonates with the warning MacNeill and Steiner (2010) make regarding the need to be vigilant in terms of reflexive practice when linking public and private agencies in civic leadership and planning.

Hence, we recognise in Invercargill the embodiment of Landry (2006) and Healey's (2007) depiction of planning shifting from a linear progression of intent to a more dynamic and mazy negotiation, embracing elasticity, partnerships, entrepreneurialism and even risk-taking. The resulting alliances can be custom-fit for the purpose at hand. Yet, at the same time, such an approach raises questions of democratic legitimacy and inevitably reignites concerns regarding

potential ad hoc incrementalism, fragmentation and processes of marginalisation and exclusion in planning practice. The governance has an informal, indirect element to it which is contentious. Again, this parallels a familiar theme in recent research regarding the need to balance the instant gains of proactive leadership with achieving socially sustainable processes (Mabey and Freeman, 2010). Sandercock (2004: 136) suggests that the type of long-term political risk-taking we encounter in the Invercargill approach is 'necessary when the sustainability of cities is at stake'. However, she also cautions that fostering an active citizenry goes hand-in-hand if a city genuinely seeks to maximise positive outcomes right across its stakeholders and communities.

A particularly interesting aspect of this small city transformation is the ways in which it is distinct from the experience of the larger city or intra-regionally networked cities. For example, the account offered by Bailey et al. (2010) clearly demonstrates the difference in scale. The type of industry clustering and shifts in cluster behaviour to re-engineer their case study locations is not evident in the limited scale of activity present in Invercargill. So while place leadership and networking are common traits at both scales, Invercargill works less through re-orienting firms and more by dispersed risk-taking and opportunism.

Similarly, in Collinge et al.'s (2010) depiction of larger city transformations, there is a focus on working across an array of boundaries that also rings true in the Invercargill context. However, scale again comes to the fore in terms of delineating differences. While the Collinge et al. portrayal highlights a holistic and joined-up approach to transformation both within and between regions, the Invercargill situation is not highly integrated in a strategic sense, although the opportunistic tendency is somewhat holistic in terms of breadth of activity. Invercargill simply is not operating with the density of activities and players that is evident in the larger cities and regions in Collinge et al.'s case studies. And linked to this issue of density and scale is the apparent ease with which the Invercargill mayor assumes the interpenetrating leadership role. In larger more complex urban areas and regions, the leaders can more quickly move out of their comfort zones (Collinge and Gibney, 2010).

Conclusion

Returning to our research questions, the case study has illuminated the transformation in governance and planning in Invercargill that has led to an improvement in the fortunes of this small city. Invercargill has undergone a transformation of identity and economic fortune since the early 1990s. The population has begun increasing after a long decline, a number of innovative projects have attracted investment and migrants, and the city has been rebranded. As observed by Lorentzen and Hansen (2009), branding and the perception of place influences both internal as well as external markets, and the citizens of Invercargill now have more positive perceptions about their city. A refreshed identity is being shaped out of the initiatives taken, similar to the experience of Frederikshavn.

Invercargill's transformation has, in part, been a calculated step – the Council creating a more enabling environment to encourage new development. Governance and planning are now rooted in local projects and micro-political management. This is a deliberate strategy, but not one of blueprint planning, rather one of promising gateways and actions.

The experience of Invercargill demonstrates a small city transformation in accordance with a new governance paradigm alongside a rejuvenated local development ambition. It is a conscious effort to innovate using alternative administrative and strategic

arrangements. A decline in traditional economic activity combined with a long period of population shrinkage has prompted this globally remote municipality to seek unconventional routes for survival, in a similar manner to that reported of small Scandinavian cities. It is an excellent Southern Hemisphere example of a peripherally located, small city, opportunistic embodiment of the use of soft territorial boundaries in planning combined with soft forms of institutional governance. It is also an instructive example of the distinctiveness associated with location and scale in the operations of the small city.

However, the Invercargill case does raise questions such as: to what extent is the development-friendly climate being prioritised at the expense of environmental and social considerations? Who benefits (and loses) from the changes in direction to leadership, governance and planning, and with what implications? What are the consequences of decisions being made as to what counts as important for this city? These particular issues have not been the focus of our research to date, but they are matters that warrant investigation in future work.

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