Policy design and nodal governance: A comparative analysis of determinants of environmental policy change in a South African city

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Abstract

This contribution to the special issue on comparative implementation research focuses on a policy paradox, a failed attempt to introduce a Solar Water Heater bylaw in a South African city in spite of much initial support, both politically and professionally. The paper combines a policy design and a nodal governance perspective to explain why the law failed to materialize. We use categories developed by the nodal governance approach to characterize the mentalities and technologies of the public agencies involved in the policy process, and explore how distinct policy cultures are nurtured by the networked relations and concomitant learning contexts of these agencies. The analysis shows how the agencies differ sharply on philosophical and practical grounds as to how they typically think about policy values and interventions. This tends to make the collaboration between them difficult as each of them experience the other as seeking to frustrate rather to assist the policy process. The paper documents how 'superstitious learning' became a predominant trait of the bylaw process, as each of the agencies tended to look for evidence in the actions of officials in the other department that confirmed their stereotypical view of them, and reinforced it during the process of interaction. Insufficient attention was given, early on in the bylaw process, to the fact that these departments would have to cooperate closely and that 'buy-in' from both was a critical condition for success. Due to this, unfortunate policy design choices fed forward through the implementation process and disabled opportunities for co-learning and collective problem-solving.

Theoretical approach – policy design and nodal governance

Revival of policy implementation research
The study of implementation has had a substantial impact on policy studies. In particular, implementation theories have demonstrated that the political process continues through to the final output of the policy process (Bardach 1977). Policy implementation studies have frequently pointed to various 'policy paradoxes' where the policy outcome and mutual adherence to policy goals by actors involved are irreconcilable (Pressman and Wildawsky 1973; Bardach 1977, Elmore 1978, Berman and McLaughlin 1978). We present a case study here that is illustrative of this.[1]

For various reasons, implementation research became unfashionable during the 1990s (Sætren 2005) although more recently, a new scholarly debate emerged on ways to revitalise the approach (O'Toole 2000, Hill 1997, Lester and Goggin 1998, Winter 1999, DeLeon 1999, Shofield 2001, Hill and Hupe 2002, Peters and Pierre 2003, Barrett 2004, Sætren 2005). As the case study in this paper illustrates, emphasising

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[1] Ferman's (1990) 'relaxed' definition of implementation, being what happens between policy expectations and (perceived) policy result, is used. In concord we define our study of a municipal government's decision to adopt a Solar Water Heater bylaw, which was never passed, as a case of a failed policy implementation.

policy design is one of the most promising approaches emerging within the field of policy implementation.

The policy design perspective
An emphasis on policy design raises new questions for implementation studies to explore. Focusing on design emphasises the creative element of policy, placing policy-making at the heart of analysis (Linder and Peters 1989, 1990), and opens up implementation research to an explicit investigation of enabling and disabling conditions for analytic policy capacity. Rather than seeking to identify universal 'best practices', a focus on design asks questions about how improved analytic capacity or 'best thinking' may emerge, and as such relates to the contextually sensitive search for 'design principles' as undertaken by Elinor Ostrom and colleagues (1990).

The emerging literature on policy design has predominantly concerned itself with the selection of policy instruments (Peters and van Nispen 1998, Linder and Peters 1998). However, for the approach to meet its potential, the *politics* of design must be emphasised. As emphasised by Sætren (2011), policy design encompasses a far wider range of elements located both within and outside the policy process. It is crucial, therefore, to embrace a broad definition of policy design that includes the selection of goals, instruments, participants, and target groups. The basic questions, as perceived by Linder and Peters (1990), are: how do governing actors select goals and means, and how do images of the selected target groups for the policy inform such choices? It is widely acknowledged that institutions tend to embody particular ways of seeing and doing (March and Olsen 1989, Linder and Peters 1990, Meyer and Rowan 1991, DiMaggio and Powell 1991, Powell 2007). This often leads institutions to structure problems and goals in accordance with established means and technologies, select problems according to means, or define novel problems in accordance with the means they have at their disposal (van Nispen and Ringeling, in Peters and van Nispen 1998). When analysing policy design, therefore, it is crucial to acknowledge the relationship between values, goals and instruments as both dynamic and interactive.

In this contribution to the special issue on comparative implementation research, we build on the subjective approach to policy design as developed by Linder and Peters since the 1980s. They argued for the need to move beyond the abstract analytical schemes concerning elements of policy design as developed by other scholars, and instead build instrument typologies grounded in the policymaker's perspective and based on the categories actors used to organise thinking around policy instruments (Linder and Peters 1989, 1990). As this paper seeks to illustrate, adopting such a subjective approach to policy design is a fruitful way to explore how institutional and nodal factors influence the policy process.

Policy design and nodal governance
Since the early 1990s, the literature on policy design tailed off, broadly related to changes in academic narratives – particularly around 'government to governance' and

'globalization' (Howlett 2011). These narratives tend to view policies as emerging outcomes of interactions between a range of public and private actors, undermining the idea that effective policies can be designed from a single nodal point, or perspective. This contemporary, more networked view of public policy increases the need to deepen our understanding of the mechanisms and instruments that characterise policy design (Howlett 2011), and the plural and nested nature of policy choices. We agree that the problem is not that policies can no longer be designed, but that under contemporary conditions should be seen '…to involve channelling the energies of disparate actors towards agreement in working towards similar goals in specific contexts' (Howlett 2011: 11). A nodal governance approach, emphasising how key characteristics of governing nodes (i.e. mentality, technology, resources and institutional structure) affect the policy process (Burris, Drahos and Shearing 2005), and how networked relations shape the identity of nodes (Ayling, Grabosky and Shearing 2009), will help re-imagine policy design enabling it to embrace the realities of the contemporary political environment.

A focus on governing mentality which emphasizes the importance of studying the dynamic interaction of agreed, shared or contested meanings about policy amongst influential policy makers, aligns this study with an interpretive approach to policy. Such an approach builds on some general assumptions about the (bounded) rationality of the agents under scrutiny. We follow Kay (2009: 54) in underscoring the various forms of perceiving and conforming to such reasons, and the potential that multiple types of rationality may exist among actors in the policy process. In short, in this paper we propose to identify distinct policy design (sub)-cultures by focusing on the following policy dimensions:

- The dominant underlying mentality (or rationality) – i.e. the way actors see the world and their place within it; how they understand policy issues, and their normative orientation in response to them;
- The preferred way of implementing objectives – i.e. a preferred sets or 'technologies'
- The temporal or time horizon – i.e. how long actors expect policy changes, and the associated implementation processes, to take.
- The nodal or 'networked' learning context – i.e. where actors tend to look to for experiences that they believe they can, and should, learn from; and finally;

Our aim is to illustrate the potential of such a broadened design approach to the study of policy implementation. We will do so by analysing a case of failed implementation of a 'green' policy initiative promulgated by a major municipal government in south Africa.

The policy puzzle

In 2001, the municipal government under study adopted an integrated environmental policy. A key component of this policy was the mass rollout of solar water heater technology to mid-high income households.

In 2006, the City adopted a comprehensive Energy and Climate Change Strategy (Strategy), as well as a new Framework for Adaption to Climate Change. In its Strategy, the City set a target of installing solar water heaters in 10% of all houses by 2010 and 50% by 2020. In attempting to achieve this, the city sought to establish a solar water heater bylaw (SWHB) in 2006. As highlighted in the following IMEP statement, the SWHB was regarded as a strategic implementation mechanism:

> *The City will finalise, adopt and enforce the draft SWHB. This*
> *regulation supports the call by national government in this regard*
> *and will ensure that all new building development over an established*
> *size/cost will be fitted with solar water heating. This is a critical step*
> *in capping the growth of projected energy consumption.*

There was, and continues to be, considerable political support, at all levels of government and across the city for realising sustainability objectives. Bylaws are an established and accepted mechanism for regulating the behaviour of citizens and there are excellent international and local precedents for the use of bylaws to realise sustainability objectives. Furthermore, the city has a constitutional mandate to pass and implement a SWHB. The SWHB seemed to present a win-win situation that served to integrate both public and private interests. Residents would gain access to cheaper heated water, jobs would be created and the City would reduce electricity consumption.

Despite the political support, the constitutional mandate, and the apparent gains for both city and citizens, the SWHB is yet to be adopted. Thus this paper explores why has it taken so long, and has proven so difficult to implement a SWHB. In exploring this policy puzzle we focussed our attention on the departments involved in the process: the Environmental Department (ED) and the Planning and Building Department (PBD). Both are part of the Strategy and Planning Directorate (SPD). The ED is responsible for promoting sustainability within the city and accordingly led the SWHB process. The PBD, as the department responsible for building regulations, was

consulted at various stages throughout the process. Consultants and the ED identified the PBD as the appropriate implementing agency.[2]

The SWH bylaw process

In his seminal paper 'What is a processual analysis?' Pettigrew (1997) outlined the two challenges of conducting process research in organisational settings. On the one hand he underscored how exposing processes requires a process vocabulary, an active language of becoming, emerging, developing, transforming, and decaying. At the heart of any processual analysis is agency: what people do and why they do it; how they interact, experience, and change their action. On the other, he links time and history, events and chronologies to their particular environments, analysing the interchange between agents and context, and how such dynamic processes produces certain outcomes. Contextualising the process is, in Pettigrew's framing, to 'turn the case history into a case study' (ibid: 339). We are looking for the underlying mechanisms which shaped the patterning of the observed process.

The SWHB process seems to elucidate a classic implementation paradox where there is general agreement about the 'goodness' of a policy, yet progress is inexplicably stalled or even halted. As one official stated "*...you will struggle to find anyone who will say that the SWHB is viewed as a bad idea*", while another highlighted how *"it is probably the most extreme example of dysfunctionality that I'm aware of..."*

As a first step in analysing the SWHB adoption, this section focus on the process and actors involved; how they interacted as the process unfolded, how they perceived of this interaction and what they learnt from it. In the following section we relate the shape, character and incidence of the process within its context, focusing in particular, on the culture of policy design and networked relations of the two departments involved.

First step: How did each of the involved departments experience the SWHB process and what did they perceive as the major reasons for the collapse of the process?

The Environment Department's perspective

The ED perceives the bylaw proposal to be generally favourably received by other stakeholders within the city. Initially there were no objections to the bylaw as a viable

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[2] The following analysis is based on a review of all public documents relevant to the SWH bylaw process and on observations from ten interviews of the top-level officials in the two departments, the councilor who headed the Planning and Environment Portfolio Committee and of a member of an NGO which played a key role in driving the process. The paper has also drawn upon the description of the implementation process provided in Cartwright el al (2012).

and potentially effective policy. Environmental Department (ED) officials commented how they had not grasped precisely what had gone wrong. One reason that the ED supported this research was to explore opportunities for aligning institutional structures. It was keen to enhance its understanding of what went wrong and where the major barriers lie.

Officials in the ED acknowledged that the reason for the lack of implementation is more likely linked with institutional constraints. Officials pointed to the fact that important staff changes occurred in the Strategy and Planning Directorate during the process that were not adequately addressed, resulting in issues of shifting institutional memories and commitments. Although officials perceived that their own department did most of the things required in policy implementation correctly, they also acknowledge some mistakes were made. For example, ED officials suggested that perhaps the Legal Department should have driven the process, which might have made it easier to overcome the resistance. However, the department feels it did take significant initiatives to rope in other departments, especially the PBD.

Despite these factors, the officials remained, somewhat mystified by the resistance to the bylaw. In particular, they experienced their relationship with the PBD as difficult and frustrating. Nonetheless, they acknowledged and were sympathetic to the resource concerns that had been expressed by the PBD. Yet the ED regarded these as primarily technical issues for which there are always reasonable solutions. The ED feels that it adopted a very conciliatory and accommodating stance towards the PBD -- but alas in vain:

> *I'm sure if you were to hear my team they would say they have gone out of their way to work with the planning team, the planners have not reciprocated.*

A consultant that participated in the process confirmed the ED's opinion that the PBD:
> *"...were short sighted, they never really engaged with the process ...*
> *Their arguments concentrated on time, the extra workload this would*
> *entail for them; "we are already under-resourced". Their attitude*
> *was: "this is just an extra thing on our plate" ...*

This resistance was a major reason why an otherwise sound environmental policy collapsed, as *'nothing will satisfy them [the PBD]!'*

Given an understanding of the ED's perspective, we sought the PBD's perspective of events. How did this department define its role in the process and how did it experience the interactions triggered by the bylaw initiative?

The Planning and Building Department's perspective

A feature of the PBD's attitude to the bylaw was that they perceived it as usurping a national jurisdiction. There are no national building regulations that oblige citizens to have hot water, let alone heat it in specific ways. The bylaw, had it been passed, would have prohibited occupying a new or renovated house, unless the PBD had confirmed installation of a solar water heater. The PBD felt this to be a clear legislative conflict that would create challenging enforcement issues. Indeed, questions arose as to whether it would be legally enforceable to withhold a certificate of occupancy should a solar water heater not be installed.

Another challenge was that the PBD regarded the SWHB simply as a possible environmental intervention, but did not see it as a potentially effective tool for achieving wide-scale energy-savings. To them, insufficient research had been undertaken to support the bylaw:

> *...on the demographics of ('the City'), how many households, how*
> *many new houses it would have an effect on, how much electricity*
> *would be saved... the first thing I look at are the numbers.*

As such the PBD conducted its own calculations that estimated that just 4% of the building plans it approves annually, would be affected by the bylaw.

An even greater concern had to do with the unit's own transaction costs. The department would, through its inspectors, be the primary enforcer of the SWHB and believed the law would significantly add to its costs, both in time and money. The department feared it was likely to get involved in many cumbersome enforcement processes if people failed to comply with the bylaw. Based on its experience as an enforcer of building regulations, the PBD knew how demanding and time consuming it is to try and compel people to comply with legislation, particularly that which they are unhappy about. In such situations there are many legal requirements that must be adhered to.

Beyond the homeowner, there were fears around potential complaints from neighbours about the ugliness of solar water heaters placed on roofs, especially in wealthy areas with powerful property owners and rate payers' associations protective of their property values:

> *Your neighbour is going to see it as unsightly and you're seeing it as*
> *your right to generate electricity from the sun and now we have to be*
> *the judge. Do we permit you to do it? And if there is a bylaw are we*
> *obliged to allow you to do it. But now there is a neighbour who is*
> *complaining in terms of national building regulations [about] why we*
> *have not taken that particular section of the regulations into account*

and not said those things are unsightly and you can't have them.
Problem!

The PBD also felt that the ED failed to recognise their expertise. The PBD felt they should have been engaged in the policy design process much earlier and far more thoroughly, rather than simply at the end as an implementing agency:

> *Mainly our concern of what should have happened, there should have*
> *been a proper debate, a philosophical debate about what it is we want*
> *to achieve, specifically when it comes to energy efficiency.... And*
> *then through those discussions see what the appropriate approach is*
> *and should law-making be the appropriate approach. Are there other*
> *approaches?... That never occurred, that never .*

The result was that the PBD felt they were presented with the bylaw as a *fait a complè*, and only then asked whether they were happy with it.

Superstitious learning
Policy implementation can be seen as an evolutionary process of learning and change. During the policy design process, people learn via experience what is feasible and preferable, and adapt their perceptions and practices accordingly (Lester and Steward 2000). To the degree that these corrections make a difference, people's ideas about policy and the potential outcomes of the policy process itself change. Often the observations and interpretations that people make during the policy design process are sound and helpful. Yet sometimes experiences trigger what has been termed *'superstitious learning'* (Snyder et al., 1995, White et al., 1998) where false interpretations and stereotypes are confirmed rather than broken down.

A PBD official observed how the ED appeared unenthusiastic about participating in a 'Integrated Task Team' of senior officials, aimed at facilitating inter-departmental collaboration around new policies and established partly in response to the SWHB challenges. This led the PBD official to conclude that '*[the ED is] probably concerned that their nice projects might be kicked or delayed'*. This comment is consistent with the idea of 'superstitious learning' – here the official is expressing an observation that confirms an already established interpretation that may well be unfounded.

A few more examples are worth mentioning. One clear observation is that the ED is fully aware that they tend to be regarded as 'activists' who are too 'emotional' and inclined to move too quickly to adopt certain policy solutions:

> *...We've got to move environmental management out of that historical*
> *bracket of activism, and nature reserves and epaulettes, and khaki*
> *shirts ...*

However, as reflected upon by members of the PBD

> '... it's not a bad thing to be an activist. [However] you need to understand when you come into a bureaucracy, you need to understand as an activist 'how can I manipulate the system to my behalf'.

The difficulty, from the PBD's perspective, is not that the ED plays an 'activist' role as they seem to appreciate that this offers potentially synergies that complement their more bureaucratic role as a regulatory enforcer. The problem instead is that the PBD feel the ED has yet to acquire enough insight in to how the City's regulatory system works and thus how to 'manipulate' it.

The ED is located in an oppositional relationship with PBD. ED officials perceived their work to be blocked by the various rules and people in PBD line departments whom they regard as holding attitudes inimical to their (environmental) objectives. The EDs experience of the bylaw process further confirmed their 'activist' identity:

> I thought, "Who are these people to be so troublesome" ... We had another meeting with them. They had not even read the law ... There they sat with red faces, but still no good. [They argued] that "we haven't the people to go out and look at these things". So I designed a form that a registered plumber, at the completion of the building has to fill in ... Still not good enough ... So, we'd given up on that. We thought "bugger them". We're going to put it to the portfolio committee.

However, the attitude of the PBD is that it does not want to be a stumbling block but would rather like to assist in realising the EDs objectives. The department is concerned, however, that policy design must involve collaboration and deliberative processes. The question, however, is what should the role of the two departments be. In answer to this an official in the PBD stated,

> I think that in terms of innovation they can be a good start. And then they need to test innovation and then it shouldn't be a situation of I bring you my innovation and so when I don't get my way I then become obstructive.

Obviously the inter-departmental dispute is not limited to not acknowledging each-others' expertise – but rather about how to create spaces for each department's expertise and objectives to thrive, how to demarcate the professional and jurisdictional domains of each; and how to create positive engagement. As a PBD official commented:

> I think if we were to do it again, I think step one would be to sit around the table and to exchange ideas. Have frank discussions. I think that perhaps we had different agendas ... I think more communication and a better understanding of our system and their priorities and ours. Also, include us earlier, from the very start...

The mutually reinforcing perceptions about 'the others' that tended to become confirmed during the SWHB process led to a negative inter-departmental learning

cycle. In this cycle each department looked for, and found evidence in the actions of officials in the other department that confirmed their stereotypes and the more the departments engaged, the more they reinforced these caricatures.

Policy design cultures and networked relations

Drawing on the policy design and nodal governance literatures (as previously outlined), we decided that an appropriate focus would be to highlight the institutionally embedded cultures, or 'mentalities', within these two departments. In particular – as elaborated in the introduction - we focused on the different ways in which policy design cultures as we perceive them below (mentalities, technologies, time horizon and learning context) shaped the officials' view of the 'worlds' within which they operate. This analysis is used to make sense of how each department engaged the SWHB process.

The environmentalists: Mentality
The ED sees itself, and is perceived by others, as the department responsible for driving environmental issues within the city. It is dedicated to this mission, as *...there has got to be somebody that creates that momentum…that drives green stuff.* The ED perceives environmental values as being side-lined in municipal policies and practices. In the intense political struggle for priorities, and resources, environmental concerns are frequently seen as 'green issues', luxury items, or at best 'add-ons' to more urgent demands. The officers of the ED therefore perceive themselves as drivers for environmental change and the agency that has to step in and promote green values that otherwise suffer within the broader political and administrative environment. The orientation of the agency to policy issues is value-rational in the Weberian sense (Weber 1947), emphasising an overarching concern for one particular value-set (i.e. the need to green the city's policies).

The environmentalists: Technology
The ED realises that to effect change it must introduce interventions often seen as uncomfortable. It recognises that people are often reluctant to make lifestyle changes voluntarily and thus coercive tools are useful mechanisms for achieving behavioural changes. One ED official noted that:

> *...we as humans, and as institutions, don't like change … it is a little bit uncomfortable and it requires a bit of effort… But if you get that law through, people will adjust to it. They will shift and change, and over a period of time it will not be an issue anymore. They will [for example] drive smaller cars and they'd actually find that it would be fine*

As the quote above illustrate, legislation is, as the ED sees it, a crucial mechanism to change human behaviour towards more sustainable practices, and changing the pattern of energy production and consumption is often regarded as a key to such a transformation.

The environmentalists: Time horizon

The ED is dedicated to being a proactive department that promotes environmental values. Given the ED's conception of the magnitude and urgency of environmental challenges, time is a crucial variable and not on humanity's side. Interventions are urgently needed to achieve significant and immediate impacts. The orientation is thus to look for low-hanging fruits that provide quick environmental wins and the department is concerned with identifying strategic interventions that meet this criterion. As the ED saw it the SWHB is one such intervention.

The environmentalists: Nodal learning context

A key aspect of the ED's strategy is to monitor strategic environmental interventions globally and identify projects that will contribute towards 'greening' the City. The ED identified the SWHB on the basis of its innovative features and particularly was attractive as it had demonstrated its value internationally.

A dense network was established between the ED and a non-governmental organisation (NGO). The NGO was extensively involved in laying the groundwork, including most stakeholder and public participation processes. The fact that one of the key members of staff of the ED, and key driver of the City's energy initiatives, was a previous director of the NGO indicates the closeness of the relationship. A Scandinavian donor agency, whose aim is to promote sustainability programmes in developing countries, also played a key role by providing technical expertise and economic resources. This network of organisations and institutions, much like the ED itself, embodies the activist characteristic. The NGO is constituted by environmental activists while the donor agency typically works with NGOs globally around sustainable development. This network shapes mentalities. It affects how different nodes of the network come to think about policy and implementation. This has nurtured the ED's value and policy means orientation as we elaborate below.

The environmentalists: Perceived barriers to change

The ED sees itself operating in an environment which limits their ability to realise their vital and urgent objectives. They perceive themselves as surrounded by barriers. Three primary sets of barriers have been identified that include institutional obstacles, problematic incentives, and private versus public interests.

Institutional structures, in their view, often interfere with and frustrate environmental initiatives. In their understanding, these constraints are embedded in the city's financial system, its green-unfriendly accounting and audit requirements and how their requirements effectively externalise environmental costs. A related concern is how the established value hierarchy in the city disadvantages sustainability objectives. As a result, the ED see the city's green agendas as inevitably coming off second best. Similarly, the ED perceives the city's current internal incentive system as working against green objectives as they fail to appear prominently in internal mechanisms, such as 'scorecards', that are used to measure officials performance.

> *...the incentive to do things in a new way does not exist. You find that scorecards do not measure innovativeness. So long as you spend so much of your money.*

Central to these concerns is the perception that key objectives of the city's guiding Integrated Development Plan (IDP), such as achieving a reduction in energy, have not yet been integrated into internal performance scorecards leading to projects, like the SWHB, not being promoted. A proposed solution is to restructure scorecards to integrate the IDP objectives.

One concern expressed was that within the city itself the predominant attitude tends to emphasise established routines and operating procedures leading to a reduction in innovation. One consequence of this is that officials tend to reject anything that is not within their formal mandate or job description, preferring to stick to what they are comfortable with. They wish to avoid new directions, especially those that might disturb status-quo. This attitude, from the EDs perspective, is one of the most difficult barriers to identify and yet is one of the most significant:

> *... nobody is prepared to say, "well, yes, let's make a difference, let's make a change, let's improve the lot of the city" ... "I do my job, I sign off on those plans, don't give me anything extra to do" .... So, they will feel annoyed at me if they feel I'm treading on their territory or telling them what to do with their business....*

Despite having to manoeuvre in a challenging institutional terrain, the ED feels it has succeeded in placing environmental issues firmly on the city's agenda and achieved considerable gains. For them, this has been an uphill battle of confronting one barrier after another which has been both time consuming and exhausting. The impact of its work has varied considerably. Sometimes, as with greening of municipal buildings, there have been significant successes. At other times, like the SWHB, gains have not materialised despite effort and dedication and the ED has felt beleaguered.

The planners: Mentality

The PBD sees itself as a highly professional planning and regulatory agency skilled at employing a repertoire of regulatory tools. It regards careful planning as the heart of successful policy implementation. The PBD is proud of the fact that as a service delivery department it pays attention to established procedures required for successful and sustained delivery. It sees itself as operating within a multi-level governance environment where it is required to implement and apply nationally established standards. One of its primary responsibilities is enforcing national building standards.

The PBD, through its various operations, is infused with what is arguably a practical rationality (Weber 1947). Its ways of acting and thinking favour a careful weighing of different, and often competing, goals and means. Process is all-important as process enables coordinated action within government and *the way protocols work is that before [promulgating] a bylaw a policy must be established*. A central feature of this rationality is the importance of choosing the different goals and means to ensure

balance is maintained and the correct implementation route selected. One set of values should not simply trump others.

The PBD sees its role as having to ask uncomfortable questions about how things have been thought through, procedures followed and priorities considered.

The planners: Technology
The attitude of the PBD towards legislation is that law-making is a potentially powerful public intervention mechanism but has to be used carefully and seldom. This is the basis for the PBD's philosophical policy platform. Accordingly, introducing bylaws that try to force people to do something is not necessarily going to achieve the desired result. A key reason for this is that enforcement processes are cumbersome and involve many resources and transaction costs. For these, and related reasons, the PBD is wary of the bylaw route, especially when alternatives have not been adequately considered and implementation costs not carefully examined. With the SWHB, the PBD would bear the implementation costs. A PBD officer offered a recent experience that illustrates this:

> *It's only when you have grappled with bringing someone to court that you really understand the problems. I was just by-the-by involved in a building dispute with [a major South African public agency] in [a suburb of the city]. We took 10 years to get them to fix [the problem]...It takes a lot of effort and money. We serve the notice, and they ignore the notice. You go on and talk to them and they ignore it. Then you have to appoint advocates and getting affidavits and go to court -- we won the case eventually. And then they didn't do anything so now it is contempt of court, please you know we don't want to do this. And eventually they did something ... The uninitiated would say well just serve a notice and that's the end of the problem. It's in fact not. It's only the start of another process.*

Generally the PBD prefers policy interventions that incentivise rather than coerce. For them, incentive-based schemes afford target groups choices which can lower transaction costs by promoting individual choice. An additional advantage is that incentive schemes enable governments to implement policies that make use of local knowledge in a way that coercion seldom does.

The planners: Time horizon
A significant element of how the PBD regards its objectives, opportunities and challenges is that it has developed a consistent spatial-temporal approach to policy development and implementation.
As suggested, officials in the PBD expressed concerns about the tendency to select solutions without careful analysis of analysis of the problem situation, goals and means. A feature of this broader concern is the drive for 'quick fixes' that fail to allow for proper policy processes to unfold. As one leading officer commented,

> *...we either speak about things starting slowly and your results are*
> *fast because you've done all the proper groundwork, or you go in fast*
> *and then your delays are so long because you haven't thought about*
> *it properly.*

In their view most policy processes, especially legislative ones, take time as one needs to incorporate participatory and deliberative elements. From this point of view, pushing too hard for 'quick wins' can result in undesired outcomes, while a patient analysis and carefully thought-through policy process can yield results. This unfortunate tendency includes, as the PBD sees it, an attraction towards international 'best practices' as solutions to local problems without due diligence being accorded to the idiosyncrasies of the local context. As one official put it:

> *[A colleague] was now for three weeks with [a politician] in China. I*
> *got an email saying "listen when the [politician gets] back he wants*
> *to see a number of sites identified where they can put up high-rise*
> *residential developments." You talk about context! Do you think that*
> *a fifty-storey high block of flats would be the best solution to the*
> *housing problem in NN [a large South African township]?*

For officials in the PBD, local context is vital.

The planners: Nodal learning context
This emphasis on the local context, as well as the underlying mentality and policy means orientation of the PBD is also shaped by its networked relation to other actors. Significant here is that it sees itself as an implementer of policies that stem from national government, in particular the Department of Trade and Industry. Equally significant is the relation to the relevant Property Development Forum (Forum), whom the PBD and the Spatial Planning Department, meet with quarterly. The aim of these meetings is to discuss development and construction projects, job creation, and urban planning and formulate a code of conduct to act as guidelines for the local property development industry. This engagement with the Forum embeds the PBD into an integrated network of professionals who rely on one another to set standards, practices and processes applicable to the industry. As demonstrated below, the PBDs policy mentality is strongly informed by its engagement with these client groups. Its decisions are influenced by how such actors are likely to react to its policy initiatives, illustrating how policy design and learning is linked to target group images and prevailing social power structures (Schneider and Sidney 2009).

The planners: Perceived barriers and regulatory opportunities
As a planning and regulatory agency, the PBD has a clear understanding of itself as operating within the constraints, and often as a local enforcer of, national and provincial laws and policies. Important pieces of legislation that orient the work of the department are the National Building Regulations, the Building Standards Act, the Provincial Land Use Planning Ordinance, with other supporting pieces of legislation being the National Environmental Management Act, the Heritage Act and the Environmental Conservation Act. Working within the confines of national and

provincial legislation is both constraining, in setting limits to which kind of policy initiatives the department may undertake, but also enabling and capacity-enhancing.

An example is the Provincial Land Use Planning Ordinance, that outlines the guidelines and procedures needed to be followed, but also empowers local municipalities to develop their own zoning regulations within their jurisdiction.

> *The province has promulgated the ordinance which spells out the guidelines if you like, but without being specific. They set out the procedures that need to be followed, and they also empower us to set out our own zoning scheme regulations…. The applications process, the appeals process, the advertising process….*

The PBD has in-depth knowledge about the regulatory landscape it operates within, and the limitations and opportunities this presents. Although it is hesitant about moving beyond the stipulations of national and provincial legislation, it does not perceive itself simply as passive, rule-oriented or retrospective. Instead, we observed a department attempting to be part of a co-operative legislative process, trying to influence national legislation and also working to develop municipal policies and regulatory mechanisms within the confines of that legislation.

We are now in a position to draw a simplified picture of the philosophical differences between these departments as to how they typically think about policy values and interventions in the following chart.

	Dominant mentality	**Preferred technology**	**Time horizon**	**Nodal learning context**
ED	Value-rational	Legislation	Urgent	International
PBD	Practical-rational	Incentives	Patience	Local/national

As shown, the ED sees itself as the main driver of a specific value: environmental protection and sustainability. Value-rational approaches, such as the ED adopt, typically collapse means-ends calculations (Weber 1947). In contrast, the PBD tends to operate within a more practical rationality, where it constantly weighs different goals and means and reflects on mean-ends relations. Both departments also differ in their preferred approach for achieving their objectives with the ED favouring legislation while the PBD tends to prefer more incentive-based schemes. Finally, the departments differ in their spatial-temporal orientation to the policy-field. The ED has a stronger global orientation nurtured by its conception of urgency and that new

ground-breaking initiatives are required. The PBD, by contrast, tends to be sceptical of international best practices emphasising the significance of local conditions instead. It is wary of 'quick wins' in the environmental field, as 'things take time' and for them, too strong a focus on quick solutions may have negative consequences in the long-term.

Given these varying ways of seeing things, nurtured by the different nodal environments of the two departments, it's unsurprising that the ED and PBD were often at loggerheads over the SWHB and that they often saw the other department as seeking to frustrate rather than to assist in their efforts.

Discussion and conclusion

A special issue of this journal in 2009 devoted itself to advancing the academic debate on the determinants of policy change. It was argued that since the early 1990s the theoretical debate on policy change in the field of policy studies had been dominated by three major approaches – the advocacy coalition framework, the punctuated equilibrium theory, and the multiple streams approach (Capano 2009: 7-31)). Real-Dato's contribution to the special issue pointed to some 'blind spots' in all three approaches. Two of these are of particular relevance as they have been explicitly addressed by the approach of this study. One blind spot identified by Real-Dato is the limited attention the three reference approaches have made to micro-level processes, i.e. how the beliefs and actions of the participants affect the policy process (Real-Dato (2009: 119). By combining a policy design perspective with a nodal orientation to the policy process we have been able to identify how the two departments differed in their view of policy, and how this affected policy design and the implementation process.

Another common weakness of the three approaches (Real-Dato's 2009: 120) is their limited theoretical articulation around boundary relationships between the policy subsystem and the wider political environment. As emphasised by March and Rhodes (1992) it is crucial to focus on the networked relations which maintain actors from various public and private structures together. The challenge is conceptualising how networked activities promote or constrain policy choices and policy change (Zittoun 2009). In this paper we have sought to forge a link between network and public policy utilizing the concept of 'networked learning context'. We documented how the two departments that engaged themselves in the policy process were embedded in distinct networks, crossing the public and private divide, and how this shaped their perception of relevant policy choices and how they sought to learn from experience.

Our main theoretical aim has been to demonstrate how an implementation challenge can be understood from a policy design and nodal governance perspectives. As O'Toole and Montjoy (1984) argued decades ago successful policy implementation often requires inter-departmental coordination and collaboration. We explored how two departments in the city administration, which needed to collaborate in order for the SWHB to be implemented, significantly differed over what policies and means

were most suitable. In contemporary political environments however, the inter-departmental perspective on policy implementation must be expanded to explore how public agencies frame policy goals and how means are shaped by the wider networks within which they engage. This often crosses the public/private divide.

As we have seen, the different 'mentalities', or policy design cultures, of the departments inevitably led to tensions, in turn leading to the two departments finding themselves at loggerheads. For the PBD, members of the ED were 'activists' with little understanding of the way the city worked bureaucratically. Therefore, the PBD saw the ED as inclined to barging into the policy process heavily-handed when what was required was a light, careful and nuanced approach. On the other hand the ED saw the PBD as a 'bunch of bureaucrats' more concerned with detail than with getting things done and who erected barriers to protect their processes.

The mutually reinforcing perceptions about 'the other' led to a negative inter-departmental learning cycle where each department looked for, and found evidence in the actions of the other department officials that confirmed their stereotype. The more this happened the more they saw evidence of these features. Accordingly, the more the departments interacted, the more they reinforced the caricatures they had created. This 'superstitious learning' provided the basis for the irony that despite sharing a commitment to 'greening' the city, the more they interacted the more they did things to frustrate the realisation of their shared 'green' objective.

The hypothesis we offer is that the 'action space' for green policy initiatives in the city is currently not being optimally utilised. A key reason for this is the absence of synergy between the activist role and the planning role. These roles are currently institutionalised as distinct policy mentalities prescribing different logics for the departments that embed these roles as to how they understand, approach and engage with policy issues. As the SWHB process developed, both departments became entrenched in their respective positions, and the bylaw process got increasingly stuck. In the end it was this defensive engagement during the policy implementation phase (Bardach 1977), that neither department wanted, that won the day at the expense of the city's future low carbon economy.

Insufficient attention was given, early on in the bylaw process, to the fact that both departments would have to cooperate closely and that 'buy-in' from each was a critical condition for success. Differences that should have been recognised and debated early on in the process were in effect swept under the carpet, but did not stay there, instead emerging later on to derail the process. Policy design choices were taken without sufficient engagement between the departments about the basis for these choices. What never materialised was a more thorough and detailed debate and analysis between the 'activists' and the 'regulators' about the goals and means, context of learning, or the urgency of policy implementation. As such the 'level of design' remained unexplored and unelaborated (Ingraham 1987). Due to this,

unfortunate policy design choices fed forward through the implementation process and disabled opportunities for co-learning and collective problem-solving.

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